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# PUBLIC ASSISTANCE PROBLEMS IN PENNSYLVANIA



## THREE REPORTS

A Forecast of Pennsylvania's Relief Needs

An Experiment in Local Administration of  
Unemployment Relief

State and Local Organization of Public Assistance

Pennsylvania Committee on  
Public Assistance and Relief

REPORT

DEPARTMENT OF PUBLIC WELFARE  
COMMONWEALTH OF PENNSYLVANIA



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## FOREWORD

The reports and recommendations of the Pennsylvania Committee on Public Assistance and Relief, which have been submitted to Governor George H. Earle and the Legislature and released for public discussion, have been based upon intensive studies by members of the technical staff of the Committee extending over many months. Preliminary summaries, and, in some instances, details of partial results of several of these projects, have been incorporated in the Second Preliminary Report and First General Report of the Committee. Final results of some of these studies, and of others not yet specifically reported, are deemed by the Committee to be of such general interest and importance as to warrant their publication in full for permanent record and future reference.

The three reports presented in this booklet refer to some of the most fundamental problems with which the Committee has been concerned: (1) the prospective scope, volume, and cost, in the immediate future, of necessary public assistance services in Pennsylvania; (2) the practical results of complete home rule, as compared with State standardization and State-local cooperation, in public assistance administration; (3) the structure and relationships of State and local administrative organization of public assistance.

In addition to numerous minor and incidental studies the Committee's research projects have included:

(1) Exhaustive and continuous studies of the scope, volume, and cost of present public assistance services in Pennsylvania, to determine the number of persons at present receiving public assistance in all forms, the extent of such assistance, and the distribution of its costs among Federal, State, and local funds. Historical and legal analyses and comparisons of various categorical assistance services in the light of recent enactments and proposals, have accompanied these studies.

(2) A forecast of the numbers and classifications of persons likely to be eligible to receive unemployment relief under various alternative circumstances in the immediate future, and the extent and cost of the public assistance required.

(3) An analysis of a large sample of the population receiving unemployment relief, works progress employment, and poor relief in each county of the State, with the object of determining the numbers, characteristics, and needs of persons eligible for special forms of assistance and relief under various alternative eligibility requirements, and of those who will probably remain on general relief rolls after transfer of those eligible to special categorical assistance rolls. This study project, conducted under the Works Progress program and sponsored by the Committee, will be the subject of a special report now in process of preparation for publication.

(4) A study of State and local organization for public assistance administration in Pennsylvania and twelve representative States having comparable public assistance problems, to discover, on the basis of experience, the values and problems of various alternative schemes of organization and of different relationships of authority between the two levels of government.

(5) A study of the financial condition of county and local governments in Pennsylvania, with the object of discovering, if possible, a formula for determining their relative capacity to pay for public relief and assistance, as the basis of a possible plan for more equitable distribution of the total burden of support of these services.

(6) A study of the cost of administration of public relief and assistance, with special reference to the desirability and practicability of various methods of limitation of this cost in relation to the total expenditures of public assistance.

(7) A continuing study and appraisal of the progress of the experiments in local home rule of unemployment relief administration, undertaken in a few scattered counties of Pennsylvania during the past winter, with the object of comparing the results of such local autonomy with the results of State standardization and State-local cooperation.

(8) A study of the merit system in public assistance administration in Pennsylvania and elsewhere, with the object of formulating a program adaptable to a consolidated public assistance system in this State. This report, made under the guidance of a special advisory committee, is in process of publication.

(9) A study of medical care as a factor in public relief and assistance in Pennsylvania, with the object of determining the basic conditions and standards required for the administration of an adequate health service in a consolidated public assistance program. This report, made under the guidance of a special advisory committee consisting of delegated representatives of all healing arts professions, is in process of preparation for early publication.

(10) Special studies conducted in certain emergencies for the benefit of the State Departments concerned and of the Legislature, including (a) a study of the waiting lists of the mothers assistance fund, old age assistance fund, and the blind pension fund, to determine how many of these persons were receiving assistance through unemployment relief or poor relief, and how the financial cost would be redistributed if the waiting lists were immediately cleared, and (b) a study of the effect upon Works Progress relief employees of the closing of certain specific projects, in an effort to determine the effect of such closings upon unemployment relief needs.

(11) Special reports and memoranda dealing with specific situations or phases of the general problem of public assistance, prepared at the request of the Committee by cooperating individuals and agencies not members of the regular technical staff.

These include (a) a brief survey of the data available with respect to the relation between the cost of living and the basic standards of public assistance, and to the feasibility of establishing a relief standard based upon this relationship, submitted by Edith Handler, formerly of the staff of the Consumer's Expenditure Study in New York City; (b) a study of recent English experience and policy in the administration of unemployment assistance prepared by Dorothy C. Kahn, Executive Director of the County Relief Board of Philadelphia, as a result of a visit to England in the summer of 1936; (c) a report upon the special economic conditions and relief problems of Fayette County, representative of a much wider area in the coal regions of the State, prepared by H. H. Peterson, formerly Executive Director of the County Relief Board of Fayette County, in cooperation with the staff of the county board and others; (d) a study of the relation of unemployment insurance to unemployment relief in Pennsylvania, prepared by Mr. Smith Simpson, of the faculty of the University of Pennsylvania, at first in view of prospective legislation, and later revised in the light of actual enactments at the Special Session of the Legislature in December, 1936.

Copies of all these documents and of others representing minor contributions of the research staff not herein mentioned, are on file in the records of the Committee. For a variety of reasons not all are being published



for general distribution, though they have been of great value to the Committee in its own discussions and in the formulation of its reports. Some of the unpublished reports were prepared to meet particular emergencies, and with the lapse of time and the progress of events, the data involved have lost significance and value. Others were exploratory in character and their value lay rather in excluding alternative policies from consideration than in pointing to specific conclusions of permanent importance. Others are too voluminous to permit full publication, while their summarization or condensation would sacrifice much of their value.

To the present volume are appended a number of extensive tables comparing and bringing to recent date factual material concerning poor relief and other forms of public assistance, of which partial reports or summaries have been made in earlier publications of the Committee.

There is also included in the appendix of this booklet a brief summarization of legislation recently enacted by the General Assembly of Pennsylvania, carrying into effect most of the essential elements of the program recommended by the Committee, with an indication of the points at which the legislation differs in some measure from the Committee's recommendations.

With the publication of this booklet and of the others now in preparation and referred to in preceding paragraphs, the Committee's work comes to an end. The members of the Committee have greatly enjoyed the opportunity to render the service for which they were summoned by Governor Earle, and they lay down their responsibilities in the hope and belief that results of lasting value to the State have flowed from the technical studies undertaken by the staff and from the earnest deliberations of the Committee upon the facts which those studies have disclosed.

The Committee fully appreciates that the earnest and able cooperation of Governor Earle, the members of his Administration, and the members of the legislature, together with the fine support of public-spirited citizens and of the press throughout the State, of which the Citizens' Committee on Public Assistance and its regional sub-committees are notable representatives and leaders, have been decisive factors in bringing to realization many of the essential proposals resulting from the Committee's efforts.

Herbert F. Goodrich

(1)

A FORECAST OF PENNSYLVANIA'S RELIEF NEEDS  
FOR THE BIENNIUM 1937-39

TECHNICAL STAFF FOR THIS STUDY

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## A FORECAST OF PENNSYLVANIA'S RELIEF NEEDS

FOR THE BIENNIUM 1937-39

I. IntroductionThe Problem and the Approach

In order to forecast the number of persons or family units who, under given standards of relief eligibility, would be entitled to public assistance or relief, certain basic information must be available regarding the past. If this information does not exist in the proper form auxiliary estimates must be prepared. The forecast of the relief population of Pennsylvania is divided into the following five parts: (1) Unemployment Relief, (2) Outdoor Poor Relief, (3) Old Age Assistance, (4) Aid to Dependent Children (Mothers' Assistance), and (5) Blind Assistance.

The problems connected with a forecast of each of these types of public assistance differ materially. Nevertheless changes in the conditions of eligibility for one type of relief may materially alter the forecasts for other types of relief. It is necessary, therefore, to develop the forecasts separately, and then bring them together into a combined picture with due consideration for the conditions of eligibility under the several programs. In this way it is possible to obtain some insight into the factors affecting each relief category, while at the same time obtaining an over-all picture of the entire home relief problem.

II. Unemployment ReliefData Required

Any attempt to forecast the future unemployment relief population must have the following items of information as a starting point:

1. Extent of past and future unemployment
2. Relationship of the unemployment relief population to the unemployed population and the factors tending to modify this relationship.

Not only is the future unemployment unknown but past unemployment, except at certain points in time, is also a matter of conjecture. The first step, therefore, is the preparation of an estimate of unemployment for the immediate past and a projection of this estimate into the immediate future.

Basic Data Available for Estimate of Unemployment

Such an estimate and forecast is reasonably possible for the State as a whole since a general monthly index of employment in Pennsylvania is available for the years 1932 to date. This index is prepared by the Federal Reserve Bank of Philadelphia and is a weighted index of employment in manufacturing and eleven non-manufacturing industries. The eleven non-manufacturing industries are anthracite mining, bituminous mining, building and construction, quarrying and non-metallic mining, crude petroleum production, public utilities, retail trade, wholesale trade, hotels, laundries, and cleaning and dyeing.

A count of the number of employed and unemployed persons in urban and rural non-farm areas as of April, 1934, is also available.\* Since this unemployment survey did not cover the rural farm populations, the figures do not include employment and unemployment in agriculture, forestry, and fishing.

In order to indicate the extent of the coverage which the unemployment census of April, 1934, provided, the results of the survey are here compared with the number of "gainful workers" in Pennsylvania as reported in the United States Census of 1930:

#### United States Census - 1930

Total gainful workers . . . . .	3,722,428
In Agriculture, Forestry, and Fishing . .	257,238
In other Industries . . . . .	3,465,190

#### Unemployment Survey

Total employable workers . . . . .	3,455,153
Unemployed employable workers not previously employed . . . . .	210,350
Other employables . . . . .	3,244,803

The United States Bureau of Census defines "gainful workers" as those "usually gainfully occupied," while the Survey defined "employables" as "persons able to work, and employed or seeking work". The Survey, therefore, included among its count of "employable persons" those who had never worked, but who at that time were able to work and seeking work. The United States Census would not have included these persons in their count of "gainful workers." The two figures that must be compared, therefore, are the 3,465,190 from the United States Census, and the 3,244,803 from the Survey. The discrepancy of approximately 220,000 is not large and can probably be accounted for by the fact that persons in industries other than agriculture, forestry, and fishing were living in the rural farm areas not covered by the Unemployment Survey.

When the normal increase in gainful workers is considered, the discrepancy between the Social Survey Census and the United States Census does not change materially. During the period 1920 to 1930 the number of gainful workers in Pennsylvania increased by about 30,000 persons per year. Assuming the same yearly growth in the period between 1930 and 1934 the expectation would be an increase of 120,000 gainful workers. If this expectation were to be realized then the figures would be changed as follows:

#### Estimate of Gainful Workers - 1934

Total . . . . .	3,842,000
In agriculture, forestry and fishing	260,000**
In other industries . . . . .	3,582,000

\* This unemployment census was part of the Social Surveys Project inaugurated under the Civil Works Administration and later continued under the Work Relief Programs of the State Emergency Relief Board. The census was taken in Allegheny and Philadelphia counties in February, 1934, and in the remainder of the State during April, 1934.

\*\*The number of gainful workers in agriculture, forestry, and fishing are assumed to remain unchanged but are expressed only in thousands.



Due to the depression in business activity, it would be reasonable to assume that, of the 210,350 unemployed and not previously employed persons enumerated by the Social Survey Census, approximately 100,000 were the result of the normal growth in gainful workers. The other 110,350 persons may then be thought of as individuals who were merely temporary entrants upon the labor market due to the loss of employment by the principal breadwinner. If these assumptions are correct, then in addition to the exclusion of the 260,000 gainful workers in agriculture, forestry, and fishing the Social Survey Census did not include 237,000 gainful workers in other industries.\*

The unemployment Survey indicates that of the 3,455,153 employable persons enumerated, 1,922,347 were employed full time, 563,454 were employed part time, and 969,352 were unemployed. Of those enumerated as employed either part or full time, 87,727 were employed by temporary governmental agencies. Since the majority of these temporary governmental employees were engaged on work projects it seemed desirable to add them to the number unemployed and subtract them from the number employed. When this is done there remains a total of 2,398,074 persons employed either full or part time, and 1,057,079 persons unemployed. With these last two figures as reference points the estimate of employment and unemployment in each of the months from January, 1932, to September, 1936, is undertaken.

#### Method Used for Estimate of Unemployment

Table I presents the general index of employment prepared by the Philadelphia Federal Reserve Bank, as well as the estimates of employment and unemployment in Pennsylvania. Column 2 of Table I gives the general index of employment as published by the Philadelphia Federal Reserve Bank in its monthly publication entitled "The Business Review." \*\* Column 3 of Table I presents the same data with the base changed from the year 1932 to the month of April, 1934. The index numbers in column 3 indicate, therefore, employment in each month as a percentage of employment in April, 1934. Column 4 of Table I shows the actual employment in each month, obtained by multiplying the index numbers in column 3 by the 2,398,074\*\*\* persons enumerated as employed in April, 1934. Column 5 of Table I presents the estimate of unemployment and the figures in this column are obtained by subtracting the figures in column 4 from the 3,455,153\*\*\*\* employable persons in April, 1934.

\* That is the 3,582,000 gainful workers less the sum of the 3,244,803 employable workers previously employed and the 100,000 new workers not previously employed because of the depression ( $3,582,000 - (3,244,803 + 100,000) = 237,197$ ). This method of calculation may be in error to some extent since some of the previously employed employable workers may not have been gainful workers. For further comments on this point see page 18.

\*\* Revisions as made by the Bank since official publication have been substituted in all instances where such revisions were made.

\*\*\* The actual figure used in multiplying was 2,398,000.

\*\*\*\* The actual figure used was 3,455,000 so that the final figure would be in thousands.

Table 1

Estimate of Employment and Unemployment in Pennsylvania  
exclusive of Employment and Unemployment in Agriculture, Forestry and Fishing  
January 1932 through October 1936\*

Employment Index			Estimate	
(1)	1932 = 100 (2)	Apr. 1934 = 100 (3)	Number employed (4)	Number unemployed (5)
1932 January	107.9	99.9	2,396,000	1,059,000
February	105.7	97.9	2,348,000	1,107,000
March	103.0	95.4	2,288,000	1,167,000
April	102.0	94.4	2,264,000	1,191,000
May	100.3	92.9	2,228,000	1,227,000
June	96.8	89.6	2,149,000	1,306,000
July	92.6	85.7	2,055,000	1,400,000
August	93.3	86.4	2,072,000	1,383,000
September	97.8	90.5	2,170,000	1,285,000
October	100.9	93.4	2,240,000	1,215,000
November	100.3	92.9	2,228,000	1,227,000
December	99.0	91.7	2,199,000	1,256,000
1933 January	91.1	84.4	2,024,000	1,431,000
February	91.5	84.7	2,031,000	1,424,000
March	88.7	82.1	1,969,000	1,486,000
April	89.9	83.2	1,995,000	1,460,000
May	92.5	85.6	2,053,000	1,402,000
June	96.2	89.1	2,137,000	1,318,000
July	99.0	91.7	2,199,000	1,256,000
August	103.5	95.9	2,300,000	1,155,000
September	109.2	101.1	2,424,000	1,031,000
October	109.5	101.4	2,432,000	1,023,000
November	110.0	101.9	2,444,000	1,011,000
December	109.2	101.1	2,424,000	1,031,000
1934 January	102.1	94.5	2,266,000	1,189,000
February	104.0	96.3	2,309,000	1,146,000
March	108.3	100.3	2,405,000	1,050,000
April	108.0	100.0	2,398,000	1,057,000
May	110.7	102.5	2,458,000	997,000
June	110.2	102.0	2,446,000	1,009,000
July	106.9	99.0	2,374,000	1,081,000
August	106.3	98.4	2,360,000	1,095,000
September	107.0	99.1	2,376,000	1,079,000
October	109.2	101.1	2,424,000	1,031,000
November	108.3	100.3	2,405,000	1,050,000
December	109.9	101.8	2,441,000	1,014,000

\*Footnote will be found at the end of the table.

Table 1

Estimate of Employment and Unemployment in Pennsylvania  
exclusive of Employment and Unemployment in Agriculture, Forestry and Fishing  
January 1932 through October 1936\*  
(continued)

		Employment Index		Estimate	
		1932 = 100	Apr. 1934 = 100	Number employed	Number unemployed
(1)	(2)	(3)		(4)	(5)
1935	January	104.3	96.6	2,316,000	1,139,000
	February	106.0	98.1	2,352,000	1,103,000
	March	105.8	98.0	2,350,000	1,105,000
	April	107.0	99.1	2,376,000	1,079,000
	May	106.9	99.0	2,374,000	1,081,000
	June	108.1	100.1	2,400,000	1,055,000
	July	105.3	97.5	2,338,000	1,117,000
	August	105.0	97.2	2,331,000	1,124,000
	September	108.2	100.2	2,403,000	1,052,000
	October	111.6	103.3	2,477,000	978,000
	November	109.2	101.1	2,424,000	1,031,000
	December	113.3	104.9	2,516,000	939,000
1936	January	106.1	98.2	2,355,000	1,100,000
	February	105.6	97.8	2,345,000	1,110,000
	March	106.7	98.8	2,369,000	1,086,000
	April	111.7	103.4	2,480,000	975,000
	May	112.7	104.4	2,504,000	951,000
	June	113.7	105.3	2,525,000	930,000
	July	113.2	104.8	2,513,000	942,000
	August	114.4	105.9	2,539,000	916,000
	September	118.3	109.5	2,626,000	829,000
	October	121.0	112.0	2,686,000	769,000

\*The General Index of employment is prepared by the Federal Reserve Bank of Philadelphia and is a weighted index of employment in 68 manufacturing industries and 11 non-manufacturing industries. Column 2 presents the index on a 1932 base as prepared by the Federal Reserve Bank, while Column 3 presents the index when converted to a base in April 1934. The change in base is made to facilitate the computation of the estimates of employment and unemployment in Columns 4 and 5.

The estimate of employment is obtained by multiplying the index number in Column 3 by the number of persons employed in April 1934 as given by the Unemployment Census of that date. This census was conducted as a project under the Civil Works Administration and the State Emergency Relief Board. The actual number of persons employed as given by the Census, after excluding those employed by temporary Governmental agencies is 2,398,074, but for the purpose of estimating the round figure of 2,398,000 is used.

The estimate of unemployment is obtained by subtracting the number of persons employed in each month as indicated in Column 4 from the total number of persons able to work and working or seeking employment as reported by the Unemployment Census in April 1934. The actual number of employable workers reported by the Census is 3,455,153, but the round figure 3,455,000 is used so as to obtain an estimate in terms of thousands only.

## Evaluation of Estimate of Unemployment

This estimate of employment and unemployment has certain rather obvious defects. First, it does not include the gainful workers in agriculture, forestry, and fishing. Second, approximately 237,000 industrial workers residing in rural farm areas were not included by the unemployment census. The estimate is, therefore, an understatement of both employment and unemployment. Since it is impossible to determine the actual amount of this understatement, the estimate must be used merely as a general indication of the magnitude of, and the variations in, the amount of employment and unemployment.

A few additional comments concerning other more intrinsic difficulties of estimating unemployment are in order at this point. The primary difficulty arises from the illusory character of the concept of unemployment itself. If the number of persons unemployed is to include all those persons "able to work, seeking work, and unemployed," which seems to be the general concept, then several obstacles are encountered. A census using the above definition might discover 800,000 persons unemployed. Yet a year later, after the employment of only 600,000 persons, it might be true that not a single person remained unemployed and seeking work. This is easily explainable. The number of persons able to work and seeking work may contain numerous persons who, if the principal breadwinner obtains employment, would not be seeking work. When the usual persons are working, other persons, such as sons, daughters, wives, are not seeking work, but if the principal working person in any family is out of employment other members of the family immediately enter the labor market and then later withdraw when the usual worker is once more employed.

The same thing works in reverse order. After a period of reduced employment a count of the unemployed based on the above definition might reveal that many more persons are able to work and seeking work than have lost employment.

Another factor affecting any estimate of unemployment should be mentioned here. During any stretch of time new workers are added to the labor market, such as, those coming of age and assuming family responsibilities, while others reaching advanced age retire from active competition on the labor market or are removed by death. If, in order to eliminate the inclusion of occasional workers unemployment is defined so as only to include "those able to work, usually working, but now unemployed", the enumeration is apt to neglect the regular entrance of new workers, particularly if the count is made during a period of business depression. In any extended period of slack business numerous persons who would otherwise join the ranks of the usually employed (gainful workers as they are called by the United States Census) do not have an opportunity to become workers and so are not counted as unemployed, yet they must be employed before the various family units become self-sustaining.

As indicated previously, an increase or decrease in the number of persons employed modifies the number of persons unemployed and seeking work in a manner which is not directly proportional to the change in employment. It is also necessary to add that an increase or decrease in the amount of under-employment (part-time employment), while it does not change the number employed, may change the number unemployed, since it will affect the size of the usually employed worker's wage and thus cause other members of his family to enter or withdraw from the search for employment.

The estimate of unemployment presented in Table I is, therefore, subject to many limitations. At the time of taking the count the country was experiencing a general business depression, so that a certain number of



persons may have been included among the unemployed at that time who, when prosperity has returned, will no longer be seeking work even though they have not received employment. The method used has assumed that this is not true, since unemployment is increased or decreased by the amount of decrease or increase in employment. Furthermore, no allowance has been made in the estimate for the effect which increased payrolls may have had upon the number of persons unemployed and seeking employment. On the other hand, no account has been taken since April, 1934, of the general net increase of workers which inevitably takes place in a growing population. The effect of this factor is in an exactly opposite direction to the effect of the other factor just mentioned. While it is not likely that these influences are exactly compensating, they do cancel each other to some extent, so that the error is less than if they both worked in the same direction. In the light of this fact, and because of the very short time-span of the estimate (two years back and four years forward), it seems advisable to allow both factors to remain without correction, since it is believed that they largely counteract each other during the period under survey.

#### Forecast of Unemployment for 1937

The extension of the estimate of unemployment into the year 1937 involves assumptions additional to those required for the period from January, 1932, to October, 1936, since for this later period there is an index of general employment. The procedure used includes the following steps:

1. Assumption that the rate of improvement in employment between the first ten months of 1935 and the first ten months of 1936 will prevail in the two remaining months of 1936 and the year 1937. Monthly employment for the first ten months of 1935 averaged 2,372,000 persons, while for the same months of 1936 it averaged 2,494,000. This is an increase of 5.1 per cent between the years, or .425 per cent per month ( $5.1\% \div 12$ ). Therefore, the average monthly increase to be expected is taken as 10,600 ( $2,494,000 \times .425\%$ ).
2. Although this increase might be applied in several ways to determine the general trend, the method selected applies the monthly average improvement to the last month for which information was available, namely, October, 1936. According to the estimate of employment there were 2,686,000 persons employed in October, 1936. Part of this employment is due to seasonal factors. An index of seasonal movements in employment has been prepared which establishes the pattern of seasonal movement shown in column (3) of Table 2. Applying the seasonal index for October to the employment in October, 1936, gives 2,613,000 persons ( $2,686,000 \div 1.028$ ), as an approximation to the employment in that month when adjusted for seasonal variation. To this figure it is necessary to add for each of the remaining months in 1936 and the months of 1937, the average monthly increase of 10,600 persons so as to secure an approximation to the expected employment trend. These figures are reproduced in column (2) of Table 2.

Table 2

Forecast of Employment and Unemployment in Pennsylvania  
in Industries Other than Agriculture, Fishing, and Forestry  
November, 1936 through December, 1937

Month and year (1)	Forecast of employment trend (2)	Seasonal index (3)	Forecast of employment trend adjusted for seasonal index (2) x (3) (4)	Forecast of unemployment 3,455,000-(4) (5)
			(4)	(5)
1936 November	2,624,000	100.6	2,640,000	815,000
December	2,634,000	103.5	2,726,000	729,000
1937 January	2,645,000	96.4	2,550,000	905,000
February	2,655,000	97.7	2,594,000	861,000
March	2,666,000	99.7	2,658,000	797,000
April	2,677,000	100.2	2,682,000	773,000
May	2,687,000	101.2	2,719,000	736,000
June	2,698,000	101.6	2,741,000	714,000
July	2,708,000	98.6	2,670,000	785,000
August	2,719,000	97.8	2,659,000	796,000
September	2,730,000	99.8	2,725,000	730,000
October	2,740,000	102.8	2,817,000	638,000
November	2,751,000	100.6	2,768,000	687,000
December	2,761,000	103.5	2,858,000	597,000
Average - 1937	2,703,000	100.0	2,703,000	752,000

3. The trend, as indicated in column (2) of Table 2 can now be adjusted for seasonal variation by multiplying the figures in column (2) by the seasonal index in column (3) and recording the results in column (4).
4. These steps give the employment estimate, and the unemployment estimate is merely a matter of subtracting the employment figures from the 3,455,000 employable workers.

While it should be clear that the ideal pattern of this estimate cannot be expected to prevail in all of its details from month to month, it should, unless a reversal of recovery movements sets in, constitute a fair approximation to the actual developments. The assumptions underlying the forecast are, in general, rather optimistic. Some observers believe that the rate of recovery between 1935 and 1936 can not be sustained; others believe that it will actually be increased. There are still others who believe that while the first half of 1937 may see an accelerated increase in business activity and employment, the last half will show a decline, so that 1937 will show only a small improvement, if any, over 1936.

#### Recent Employment Trends

Since the original estimates were prepared, the Federal Reserve Bank of Philadelphia has published its General Employment Index for the last two months of 1936 and the first two months of 1937. From the forecast of employment presented in Table 2 it is possible to work back to an index of

employment and thus compare the expected index with the actual. The following tabulation presents this information:

Expected and Actual General Employment Index  
November, 1936 through February, 1937

Month and year		Forecast 1932 = 100	Actual* 1932 = 100
1936	November	118.9	121
	December	122.8	125
1937	January	114.8	119
	February	116.9	120

\*As published in "The Business Review" by the Federal Reserve Bank of Philadelphia.

The estimate of employment is never in error by as much as 4 per cent in any one of these months. A small percentage error in employment means, however, a much larger percentage error in unemployment, which is a smaller total. In this instance the error in the unemployment estimate ranges between 6 and 11 per cent.

Unemployment and the Relief of Unemployment

Having obtained an estimate of unemployment, the next task is to secure an estimate of relief requirements for 1937. In order to obtain such an estimate it is necessary to consider the following factors:

1. The trend in the number of persons and cases who have received unemployment relief since the establishment of the State Emergency Relief Board.
2. The relationship between the number of persons unemployed and the number of families or relief cases receiving unemployment relief.
3. The number of employable persons on the relief rolls as compared with the total number unemployed.
4. The problem of supplementary relief and of cases containing no employable member.

It might ordinarily be assumed that the trend of unemployment relief, so far as the past is concerned, would be a mere matter of record. This is not the case, however, and before any discussion of future unemployment relief needs can be undertaken, it is necessary to make this point unmistakably clear.

If, throughout the history of State-supervised relief for the unemployed, a given program with definite standards of relief eligibility had been administered by a single agency, then the problem of past trends in unemployment relief would be a mere matter of record. As it is, however, the history of unemployment relief in Pennsylvania, as in most other States, is a matter of multiple agencies and rapidly changing programs.

Very little can be learned from any statistical series showing the number of persons and families receiving unemployment relief until it is certain that the series is comparable from date to date. The first task in this part of the study, therefore, is to analyze the available information concerning unemployment relief and construct a single series which will depict properly the past burden of unemployment in terms of family units and persons. The only practical plan is to make a detailed study of the period during which the State Emergency Relief Board has been operating. This period extends from September, 1932 to the present time and can best be discussed by considering separately the periods prior and subsequent to January 1, 1935.

The years 1932, 1933, and 1934 involve the least difficulty because, with the exception of the last four months in 1932 and a few months near the end of 1933 and the beginning of 1934, the State Emergency Relief Board administered the entire program of unemployment relief. The exception in 1932 merely involves the transition from poor board and public committee relief to State and Federal relief and the exception at the close of 1933 and the beginning of 1934 is due to the Civil Works Administration program.

Table 3-A (column 5) presents the record of the number of cases (relief families and single person cases) receiving unemployment relief during the period September, 1932, to December, 1934. During the period covered by the Civil Works Administration, the table shows (column 3) the number of persons working on Civil Works Administration projects in the week ending nearest the 15th of each month, and (column 2) the average number of unemployment relief cases on the State Emergency Relief Board rolls during the month.

During the period of the combined programs neither the State Emergency Relief Board cases nor the Civil Works Administration workers, either singly or combined, give a true picture of relief needs during that winter for comparison with relief needs during the rest of the period. The writer estimates, however, that, if the Civil Works Administration program had not been operating, about one family or relief case would have been on State Emergency Relief Board rolls for every two persons employed by the Civil Works Administration.

This estimate is based upon two considerations. First, about one third of the Civil Works Administration workers had actually been transferred from relief rolls. Second, during the winter months a large number of persons would have been added to the relief rolls if they had not found employment on Civil Works Administration. It seems reasonable to assume, therefore, that at least one half of the workers with their families would, in the absence of Civil Works Administration, have been on relief rolls. On the basis of this estimate figures have been entered (column 4) to indicate the additions which had to be made to the State Emergency Relief Board rolls before a proper representation of this period as compared with the other periods can be secured.



Table 3-A

Number of Cases Receiving Unemployment Relief in Pennsylvania  
September 1932 to December 1934

Month and year (1)	Average number of cases* on SERA relief rolls (direct and work relief) (2)	Number of persons employed by CWA in week ending nearest 15th of each month (3)	Estimated number of CWA workers** who would otherwise have been on SERA relief rolls (4)	Total unemployment relief cases (2) plus (4) (5)
1932 September	146,959			146,959
October	180,417			180,417
November	240,008			240,008
December	292,617			292,617
1933 January	343,011			343,011
February	391,163			391,163
March	426,216			426,216
April	440,819			440,819
May	449,743			449,743
June	443,709			443,709
July	412,569			412,569
August	366,856			366,856
September	330,460			330,460
October	321,741			321,741
November	325,957	5,828	2,914	328,871
December	313,103	82,263	41,132	354,235
1934 January	288,136	319,387	159,694	447,830
February	295,500	230,159	115,080	410,580
March	304,566	197,720	98,860	403,426
April	343,995			343,995
May	348,960			348,960
June	341,342			341,342
July	334,903			334,903
August	334,096			334,096
September	345,716			345,716
October	360,036			360,036
November	373,441			373,441
December	401,437			401,437

\*The term "relief case" as used refers to a single person or a group of persons receiving a single grant. The group of persons may and generally do constitute a family group.

\*\*Persons on the CWA program are comparable with cases since the worker generally supports other persons who, under direct relief, would make up the "relief case."

Table 3-B

Number of Persons Receiving Unemployment Relief in Pennsylvania  
September 1932 to December 1934

Estimated number of persons\*

Month and year (1)	Average number of persons on SEPA relief rolls (direct and work relief) (2)	In families of CWA workers (3)	In families of CWA workers who would otherwise have been on SEPA relief rolls (4)	Total persons receiving unemployment relief (2) plus (4) (5)
1932 September	676,011			676,011
October	829,918			829,918
November	1,104,036			1,104,036
December	1,346,038			1,346,038
1933 January	1,577,851			1,577,851
February	1,799,350			1,799,350
March	1,960,610			1,960,610
April	1,975,135			1,975,135
May	1,998,426			1,998,426
June	1,940,085			1,940,085
July	1,773,089			1,773,089
August	1,576,840			1,576,840
September	1,431,709			1,431,709
October	1,370,355			1,370,355
November	1,357,934	25,060	12,530	1,370,464
December	1,305,385	353,736	176,868	1,482,253
1934 January	1,183,240	1,373,368	686,684	1,869,924
February	1,191,449	989,688	494,844	1,686,293
March	1,230,595	850,196	425,098	1,655,693
April	1,386,300			1,386,300
May	1,406,955			1,406,955
June	1,365,970			1,365,970
July	1,335,469			1,335,469
August	1,325,983			1,325,983
September	1,372,876			1,372,876
October	1,425,255			1,425,255
November	1,470,232			1,470,232
December	1,570,945			1,570,945

\*Based upon the average number of persons in relief cases (4.3 persons) prior to the inauguration of the Civil Works Administration.

Table 3-B presents a similar picture of the relief burden in terms of persons rather than relief cases. This is a better index of the actual relief burden since the average size of the relief case changed considerably during the period covered.

Since no record of the number of persons supported by Civil Works Administration employees exists, it is necessary to assume that the average size of the families represented by Civil Works Administration workers was the same as the average size of relief cases (4.3 persons per case) prior to the inauguration of the Civil Works Administration program. In all other ways Table 3-B is merely a different method of presenting Table 3-A to provide a summary in terms of persons rather than cases.

Table 4-A presents an analysis of unemployment relief trends in terms of cases or families for the period January 15, 1935, to November 14, 1936. This period is more complicated than the earlier one just analyzed, because of the inauguration of the Federal Works Program. Column 2 of Table 4-A shows the number of cases receiving unemployment relief from the State Emergency Relief Board in the week ending nearest the 15th of each month. A weekly figure rather than a monthly average is used in this instance, because it corresponds more closely with indexes of employment, which are based on persons employed in that week and because weekly figures but no monthly average figures of persons employed on the Works Program are available. In the period prior to 1935, weekly figures for State Emergency Relief Board relief rolls are not available and so monthly averages are used.

The difficulties of estimating combined unemployment relief loads during this period are the result of the following conditions:

1. Persons employed on the Works Program are paid every two weeks and must be employed on the average about three weeks before they receive their first full pay. When they begin employment on projects under the Works Program they are counted among those working on the program, but they will remain on direct relief rolls for three weeks so that they can be provided for until they receive their wages. When workers are dismissed from Works Program employment they cannot come back on State Emergency Relief Board relief rolls until three weeks have elapsed so that although they are really being maintained by relief check (project wages) they are not included in the count of relief cases on either program.
2. Relief persons once employed on the Works Program may continue as project workers on that program even after they cease to qualify for relief according to State Emergency Relief Board eligibility rules, since other members of their family may receive private employment. Recently the Works Progress Administration has attempted to eliminate these persons by means of a questionnaire check-up on eligibility.
3. Some certified relief persons were discontinued from relief prior to securing project employment, but, under the regulations prevailing at the time, this did not prevent their placement on projects, so that all the relief certified persons placed on the Works Program did not come directly from State Emergency Relief Board relief rolls and did not have continuing State Emergency Relief Board relief eligibility.

Table 4-A

Number of Cases Receiving Unemployment Relief in Pennsylvania  
January 1935 to November 1936

Week ending nearest the 15th of each month (1)	Total cases on SERA relief rolls (2)	Relief workers employed on Works Programs Administration (3)	Other Works Program agencies (4)	Total (3) + (4) (5)	Estimated duplication** (cases) (6)	Estimated combined net relief load (cases) (2) + (5) + (6) (7)
1935						
January 12	428,712					428,712
February 16	452,267					452,267
March 16	454,598					454,598
April 13	460,312					460,312
May 18	447,197					447,197
June 15	438,302					438,302
July 13	429,121					429,121
August 17	430,228					430,228
September 14	434,119					434,119
October 12	410,933	48,600	5,486	54,086	- 20,233	444,786
November 16	357,247	155,168	7,112	162,280	- 89,471	430,056
December 14	253,175	199,551	8,415	207,966	- 32,825	428,316
January 18	214,364	238,103	9,095	247,198	- 18,923	442,639
February 15	207,043	251,420	9,624	261,044	- 14,329	453,758
March 14	197,256	263,608	7,730	271,338	- 11,924	456,670
April 18	178,203	245,951	9,048	254,999	+ 1,617	434,819
May 16	176,197	219,864	13,196	233,060	+ 3,171	412,428
June 13	173,818	214,861	14,984	229,845	+ 114	403,777
July 18	171,023	217,315	15,286	232,601	- 2,576	401,048
August 15	163,704	229,961	16,060	246,021	- 12,478	397,247
September 12	149,801	229,285	15,730	245,015	- 5,483	389,333
October 17	140,563	227,373	16,000***	243,373	- 2,857	381,079
November 14	134,996	227,543	16,000***	243,543	- 2,000	376,539

\*The employment figures for the Works Program as reported here exclude (1) administrative employees, (2) non-relief persons, (3) certified relief persons in the transient, National Youth Administration, and Civilian Conservation Corps programs. Persons working are comparable to relief cases for the reasons noted in Table 3-A.

\*\*Based on net change in the case load of the State Emergency Relief Board due to the Works Program during the three weeks following the week ending nearest the 15th of each month.

\*\*\*Estimated. The actual figures made available since the estimate was originally made are 14,827 and 13,606, respectively.

Table 4-B

Number of Persons Receiving Unemployment Relief in Pennsylvania  
January 1935 to November 1936

Week ending nearest the 15th of each month (1)	Total persons on State Emergency Relief Administration relief rolls (2)	Total persons in families of Works Program relief certified workers* (3)	Estimated duplication** (persons) (4)	Estimated combined net relief load (2)+(3)+(4) (persons) (5)
1935 January 12	1,668,284			1,668,284
February 16	1,728,322			1,728,322
March 16	1,722,880			1,722,880
April 13	1,743,579			1,743,579
May 18	1,691,326			1,691,326
June 15	1,657,055			1,657,055
July 13	1,607,015			1,607,015
August 17	1,623,761			1,623,761
September 14	1,638,279			1,638,279
October 12	1,535,740	216,344	- 81,938	1,670,146
November 16	1,300,246	649,120	-357,756	1,591,610
December 14	880,026	811,067	-121,724	1,569,369
1936 January 18	725,818	964,072	- 63,831	1,626,059
February 15	699,255	991,967	- 49,742	1,641,480
March 14	656,316	1,031,084	- 36,560	1,650,840
April 18	603,348	943,496	+ 8,386	1,555,230
May 16	594,462	885,628	+ 6,686	1,486,776
June 13	575,643	873,411	- 2,264	1,446,790
July 18	557,047	883,884	- 9,895	1,431,036
August 15	528,409	934,880	- 47,688	1,415,601
September 12	473,098	931,057	- 21,779	1,382,376
October 17	431,236	924,817	- 10,254	1,345,799
November 14	408,946			

\*The number of persons in the families of certified relief workers employed on projects is obtained by multiplying the sum of the figures in Columns (3) and (4) of Table 4-A by the average size of the net cumulative number of cases transferred from the State Emergency Relief Administration by the date three weeks after the week ending nearest the 15th of each month.

\*\*Based on the net change in the person load of the State Emergency Relief Administration due to the Works Program during the three weeks following the week ending nearest the 15th of each month.



Table 5

Number of Relief Cases and Employable Persons on Relief per 100 Unemployed  
Persons in Pennsylvania  
September 1932 through October 1936

Month and year		Number of cases on relief per 100 unemployed persons	Number of relief cases which contain at least one unemployed employable per 100 unemployed persons	Number of employables on relief per 100 unemployed persons	Number of unemployed employables on relief per 100 unemployed persons
(1)		(2)	(3)	(4)	(5)
1932	September	11.4		16.3	
	October	14.7		20.8	
	November	19.6		27.6	
	December	23.4		33.0	
1933	January	23.8		33.6	
	February	27.6		38.9	
	March	28.6		40.4	
	April	30.1		41.3	
	May	32.3		44.0	
	June	33.6		45.0	
	July	33.0		43.5	
	August	31.8		41.9	
	September	32.0		42.5	
	October	31.1		40.7	
	November	32.6		41.6	
	December	34.3		44.0	
1934	January	38.0		48.7	
	February	35.6		44.8	
	March	38.2		48.0	
	April	32.5		40.2	
	May	34.6		42.8	
	June	33.8		41.5	
	July	31.0		37.9	
	August	30.2		36.8	
	September	32.0		38.9	
	October	34.8		42.3	
	November	35.3		44.7	
	December	39.8		47.7	

Table 5

Number of Relief Cases and Employable Persons on Relief per 100 Unemployed  
Persons in Pennsylvania  
September 1932 through October 1936  
(continued)

Month and year		Number of cases on relief per 100 unemployed persons	Number of relief cases which contain at least one unemployed employable per 100 unemployed persons	Number of employables on relief per 100 unemployed persons	Number of unemployed employables on relief per 100 unemployed persons
(1)		(2)	(3)	(4)	(5)
1935	January	37.2	31.7	44.4	41.2
	February	40.9	34.7	48.0	44.0
	March	41.1	34.8	47.8	43.8
	April	42.6	36.1	49.5	45.3
	May	41.4	34.9	48.0	43.8
	June	41.5	35.0	48.1	44.0
	July	38.0	32.3	43.6	40.2
	August	38.1	32.2	44.1	40.5
	September	41.1	34.8	47.5	43.7
	October	46.3	38.4	53.3	47.9
	November	41.6	35.1	47.3	43.2
	December	45.7	38.4	51.4	46.7
1936	January	40.0	34.0	45.1	41.3
	February	41.1	34.6	45.6	41.3
	March	44.3	35.5	49.1	42.4
	April	45.2	37.6	49.6	44.5
	May	42.9	36.4	47.4	43.6
	June	43.1	36.4	47.3	43.4
	July	42.8	35.7	46.8	42.3
	August	43.5	36.3	47.5	43.0
	September	46.3	39.2	50.4	46.4
	October	49.6	41.4		48.7

Although all three of these factors must be recognized, only the first one can be included in any correction when the two relief loads are combined. As can be seen from an examination of Tables 4-A and 4-B this correction is introduced by utilizing the information relative to the period of lag in the transfer of cases from one program to the other. The combined relief load thus obtained is a net load, but must not be interpreted to represent what the load would have been if all families met State Emergency Relief Board eligibility requirements. Chart 1 shows, in terms of persons, the trend of the total unemployment relief load from September, 1932 to November, 1936.

#### Comparison of Relief Rolls with Unemployment

The combined case load as estimated for the period from September, 1932 to October, 1936 is then expressed as a percentage of the estimated number of persons unemployed. The percentages in column (2) of Table 5 indicate the number of relief cases for every 100 unemployed persons. This column of the table seems to indicate that there has been a steady increase in the number of relief cases per 100 unemployed persons. The significance of this movement is doubtful since the average size of the case has decreased materially over the period, as a result of the separation of artificial family combinations which were in effect in the early months of the depression. The increase of the percentages through 1933 probably does indicate the pressure of continued depression forcing families on relief. The very low figures in 1932 merely indicate that the opening of the program required time to meet the full need.

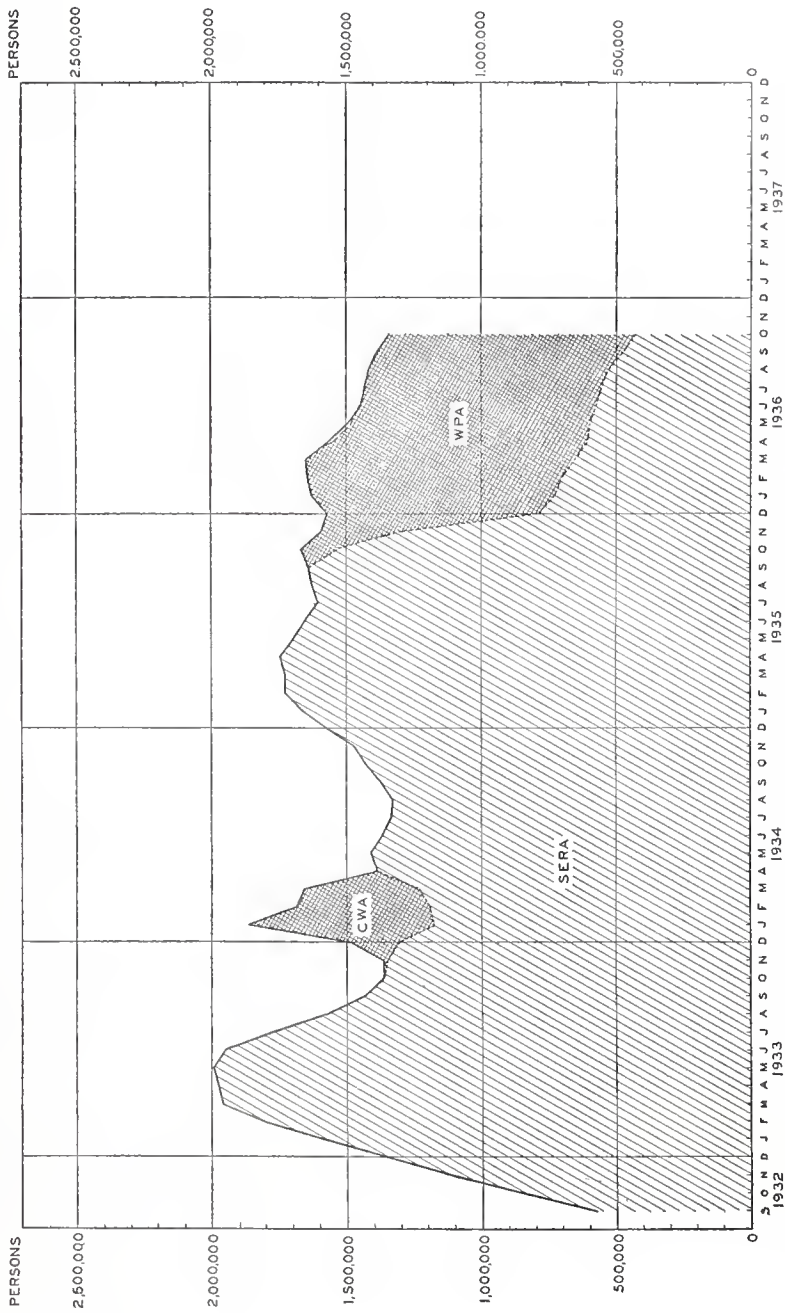
There is, however, one rather striking suggestion which the percentages seem to offer. With the active inauguration of the Works Program in September, 1935, there is a marked increase in the number of relief cases per 100 unemployed persons, even though duplication has been eliminated. This indication seems to lend some support to the opinion either that relief eligibility according to State Emergency Relief Board regulations was to some extent modified for part of the total case load or, perhaps, that a works program is more attractive than direct relief. This latter possibility is borne out to some extent by the behavior of the percentages during the months of the Civil Works Administration and the work programs of the State Emergency Relief Board. The Civil Works Administration activities covered the months of November, 1933, through March, 1934, with peak activities in January. The number of relief cases per 100 unemployed are higher during this period. The early work division activities of the State Emergency Relief Board began in April of 1934, reached their peak in June of 1934 and then decreased to September of 1934. The revised work relief activities of the State Emergency Relief Board began in October of 1934, increased to February of 1935 and then decreased until the end of State Emergency Relief Board work relief activities in August, 1935. The rise and fall of the percentages correspond to some extent to these movements.

A modification of the analysis in terms of all cases is offered in column (3) of Table 5. Some of the State Emergency Relief Board relief cases contain no employable persons (approximately 25,000 cases). Other State Emergency Relief Board relief cases which contain one or more employable persons have some private employment earnings. This means that at least one employable in these latter cases is employed part time. Although the percentage of cases varies in which one or more persons are employed part time, studies by the State Emergency Relief Board indicate that such cases average about twenty per cent of the State Emergency Relief Board relief cases and it is probably reasonable to assume that they constitute at least as large a percentage of the total relief load. About half of these cases, however, have employables working at odd jobs rather than regular employment.



# PERSONS RECEIVING DIRECT UNEMPLOYMENT RELIEF, OR AID FROM WORK PROGRAM SECURITY WAGES

PENNSYLVANIA - SEPT. 1932 - OCT. 1936.



Relief payroll employees only are included under CWA (Civil Works Administration) and WPA (Works Progress Administration).

As a mere reasonable guess, a correction of the total case load during 1935 and 1936 has been made so as to take account of (1) cases having no employable members, and (2) cases having at least one employable member in part time private employment. The results of these computations are recorded in column (3) of Table 5 and indicate, per 100 unemployed persons, the number of cases in which there is at least one employable person and in which no employable is employed in private industry. If the estimate is correct, then the figures represent the number per 100 unemployed persons of cases containing employable members who do not have any private employment connections. At least one employable in each of these cases must be given employment before the case can become self-supporting, and this amount of employment constitutes the minimum which is required to liquidate the employable part of the relief load. The estimating factors should be reasonably accurate. Studies conducted by the State Emergency Relief Board in 1935 and 1936 indicated a number of unemployed cases approximating 25,000, and this number has tended to remain unchanged. Sample studies of supplementary relief cases also support the figure of 20 per cent, of which approximately one-half were merely doing odd jobs.

The above analysis gives some knowledge of the relationship between employment and relief but always in terms of cases on relief with reference to persons unemployed. In order to secure some information concerning (1) the number of employables on relief, and (2) the number of unemployed employables on relief, two additional estimates have been prepared: first, an estimate of the number of employable persons on relief for the entire period from September, 1932, through October, 1936; second, an estimate of the number of unemployed employables on relief for the period from January, 1935, through October, 1936.

The first estimate is based upon a complete census of the relief rolls conducted in March, 1935. The census was conducted by the Division of Research, Statistics and Finance of the Federal Emergency Relief Administration. This enumeration found 529,769 employable persons on relief in Pennsylvania in the month of March, 1935. At that time the entire unemployment relief load was being cared for by the State Emergency Relief Administration. The average number of persons receiving relief in that month was 1,727,192, so that there were approximately 30.7 employable persons per 100 relief persons. This percentage of employable persons on relief to total relief persons has been multiplied by the number of persons on relief in the week ending nearest the 15th of each month for the months of September, 1932 through October, 1936. The estimate thus obtained as to employable persons on relief is then expressed as a percentage of the estimated number of persons unemployed. These percentages are recorded in column (4) of Table 5. If the estimates are correct, then it appears that there have been about 45 to 50 employable persons on relief during recent months for every 100 unemployed persons. This proportion is somewhat lower during 1933 and 1934.

The second estimate is based upon an assumption, made previously, that about 10 per cent of relief cases have at least one employable member who is employed in private industry. From the number of employables on relief it is necessary to subtract the estimated number who had part time employment and express the difference as a percentage of the estimated number of unemployed persons. These percentages are recorded in column (5) of Table 5 and indicate that in general there were about 40 to 45 unemployed employables on relief for every 100 unemployed persons.

Several observations seem worthy of mention. First, there are approximately 40 relief cases which contain an unemployed employable for every 100 unemployed persons, although there are approximately 45 relief cases for every 100 unemployed persons. If the cases containing employables who are unemployed are to be removed from relief it will be necessary to employ 4 relief persons from such cases for every 10 persons employed. Such employment would not entirely liquidate the relief load, but it would reduce it

to approximately 63,000 cases, namely, 25,000 cases with no employables, plus 38,000 cases in which at least one employable has part time employment. The increase of such part time employment to full time employment would probably liquidate the majority of the 38,000 cases.

Second, it might seem as if the chance of a relief employable being employed is about 45 out of 100, since during the months of 1936 our estimates indicate that there were approximately that number of unemployed employables on relief per 100 unemployed persons. This supposition is not reasonable, however, since many of these employables on relief are secondary employables, and furthermore the chances of those not on relief getting jobs are probably better than the chances of those on relief. For these reasons it seems more nearly correct to assume that jobs will go to relief employables about 4 times out of 10 (40 out of 100), even though this estimate, also, is probably a little high.

Third, the number of employable persons on relief per 100 relief persons is lower than the ratio of employables to the population in general. According to the United States Census of 1930, there were 3,722,428 gainful workers in a population of 9,631,350. This is approximately 38.6 gainful workers for every 100 persons. The Census of Relief Persons of March, 1935, indicated that there were 30.7 employable persons on relief for every 100 relief persons. Since the definition of employable persons is broader than that of gainful workers, it is clear that the relief rolls are definitely a selection of cases either containing numerous children or having very few, and in some cases not any, employable members. The ratio for the general population also contains this group but in addition, there are numerous families not receiving laboring income but who are self-supporting from other sources. This fact makes the character of the relief load in terms of the burden of each employable person even more striking.

#### Estimating Unemployment Relief Rolls for the Months of 1937

Since the preceding analysis has made it possible to express the number of cases and persons on unemployment relief as a percentage of the number unemployed, and since an estimate of unemployment for 1937 is now available, it might be assumed that it would be possible to compute directly the relief rolls for 1937. This is not the case, however, since a very small variation in percentages of all the unemployed who are on relief involves a very large variation in unemployment relief rolls. Furthermore, monthly variations of the unemployment relief rolls are not nearly as large as are monthly variations in total unemployment. It takes considerable time for the movements in one to effect movements in the other.

It is possible, however, to use the information in a slightly different fashion if certain assumptions are made. The two general assumptions are:

1. That employment through the remainder of 1936 and for the year 1937 will improve on the average by about 10,600 persons per month, on the basis of employment and unemployment forecast in Table 2;
2. That for every 10,600 persons employed 4,000 will come from the combined unemployment relief rolls and will result in the closing of 4,000 cases, or approximately the second conclusion in the paragraphs immediately preceding.

It is obvious that these two general assumptions establish a basis for estimating the total unemployment relief load. The purpose of the



original estimate was, however, to secure a rational basis for recommending to the Governor of Pennsylvania the appropriation which the State government should provide for direct unemployment relief during the biennium 1937-39. Under these circumstances the policy to be followed by the Works Program as regards project employment for relief certified workers becomes very important.

At the time when the estimates were being prepared (November, 1936) the general announcements concerning project employment indicated that a curtailment of some 30,000 persons was to take place during the month of December, 1936.

The estimate utilizes this announcement as a special condition and assumes that such a curtailment will take place, but that following this curtailment the number of relief certified workers other than those employed by transient or CCC camps, or on NYA projects, will remain practically unchanged for the remainder of 1937. Past experience indicates that if reasonable care is taken in the lay-off program, only about one-third of the persons dismissed from Works Programs will return to direct relief rolls with their families.

With this as a special assumption, and along with the two general assumptions, a detailed estimate is prepared for the months of 1937. Table 6, column 7, carries forward the figures in Table 4-A, column 7, in the following manner: first, the November figure for the direct relief case load (134,996) is modified to correct for the seasonal factor. An index of seasonal variation has been prepared (Table 6, Column 3) which indicates a seasonal factor for November of 97.0 per cent. This factor is divided into the direct relief case load and gives a quotient of 139,000 cases, approximately, as representative of the direct relief case load in the absence of seasonal factors. Since this figure is 4,000 cases greater than the actual case load 4,000 cases are added to the net relief load for November as given in Table 4-A, column 7, and the resulting total, 381,000 cases, is used as the basis for estimating column 7 of Table 6.

Since employment is supposed to take 4,000 persons per month from the combined relief rolls and the Works Program is supposed to lay off 30,000, of whom it is estimated that 10,000 would return to direct relief, the combined net relief rolls for December, 1936 would tend to be 381,000 less 24,000\*, or 357,000 if seasonal factors are not considered. This is the starting figure for December 12, 1936 (Table 6, column 7). From this figure 4,000 is subtracted for each month in order to get the trend of the net combined relief loads for the months of 1937.

Column 5 of Table 6 indicates the assumption of a constant employment for the Works Program of 214,000 persons. This does not mean, however, that the same persons will be employed throughout, since the Works Program will be losing employees to private employment and it is assumed that they will be replaced from direct relief rolls. Since it is assumed that there will be a transfer of 4,000 employable persons per month from the combined relief rolls, about 3,000 of these will be expected to come from the Works Program. As a result, about 2,000 of them will always be on the Works Program but not yet discontinued from direct relief because of the three weeks' lag, to allow for the receipt of Works Program wages. This accounts for the constant allowance (except for December, 1936) of 2,000 for duplication between the two programs (column 6, Table 6). In December, since the Works Program is assumed to be laying off 30,000, of which 10,000 will have to come on direct relief, the 2,000 negative duplication becomes 8,000 positive duplication.

\*The 24,000 represents the 20,000 decrease resulting from the lay-off of persons not eligible for direct relief and the normal withdrawal of 4,000 to private employment.

TABLE 6

ESTIMATE OF THE NUMBER OF UNEMPLOYMENT RELIEF CASES.  
PENNSYLVANIA - DECEMBER 1936 TO DECEMBER 1937\*

Week ending nearest the 15th of each month (1)	Trend direct relief (2)	Seasonal index (3)	Monthly direct relief (2) x (3) (4)	Works Program (5)	Duplication (6)	Trend of net relief load (7)	Total monthly relief load (4) + (5) + (6) (8)
1936 December 12	135,000	99.7	134,000	214,000	+ 8,000	357,000	356,000
1937 January 16	141,000	104.2	147,000	214,000	- 2,000	353,000	359,000
February 13	137,000	107.5	147,000	214,000	- 2,000	349,000	359,000
March 13	133,000	109.2	145,000	214,000	- 2,000	345,000	357,000
April 17	129,000	105.3	136,000	214,000	- 2,000	341,000	348,000
May 15	125,000	99.3	124,000	214,000	- 2,000	337,000	336,000
June 12	121,000	96.4	117,000	214,000	- 2,000	333,000	329,000
July 17	117,000	94.1	110,000	214,000	- 2,000	329,000	322,000
August 14	113,000	93.9	106,000	214,000	- 2,000	325,000	318,000
September 18	109,000	95.5	104,000	214,000	- 2,000	321,000	316,000
October 16	105,000	97.9	103,000	214,000	- 2,000	317,000	315,000
November 13	101,000	97.0	98,000	214,000	- 2,000	313,000	310,000
December 18	97,000	99.7	97,000	214,000	- 2,000	309,000	309,000
Total-1937	1,428,000	1,200.0	1,434,000	2,568,000	-24,000	3,972,000	3,978,000
Average-1937	119,000	100.0	120,000	214,000	- 2,000	331,000	332,000

\*Assumptions - (1) Employment will increase on the average by 10,600 persons per month, (2) for every 10,600 persons employed 4,000 will come from relief rolls and result in the closing of 4,000 cases, (3) that the Works Program will decrease project employment by 30,000 persons in December, 1936, and then maintain a constant employment of 214,000 relief certified project workers.

In order to secure the trend of the direct relief case load (column 2 of Table 6) the sum of columns 5 and 6 is subtracted from column 7. To allow for seasonal factors the seasonal index in column 3 is multiplied by the trend figures for direct relief and column 4 is derived. Column 8 then recapitulates and shows the combined net relief load expected monthly.

#### Evaluation of Estimate of Direct Unemployment Relief Case Load

At the time the estimate was prepared, the element of seasonal adjustment presented a difficult problem which was not solved satisfactorily. The index of seasonal variation presented in column 3, of Table 6, is derived from the net combined relief rolls presented in column 5, of Table 3-A, and column 7, of Table 4-A. Strict logic requires, therefore, that it be applied to the estimate of the net combined relief rolls and not to the much smaller direct relief rolls. This method was followed at first, but as the constancy of the Works Program relief rolls (as was required by the estimating assumption) made the entire seasonal variation in the combined direct relief and Work Programs fall upon the direct relief rolls, the seasonal variation thus introduced seemed too large.

After considerable thought it was finally decided to apply the seasonal index to the direct relief rolls only. There are certain valid reasons for doing this. The Works Program rolls cannot be directly affected by increases in seasonal unemployment, since the families must first appear on the direct relief rolls. The extent, therefore, to which the total relief load is influenced by seasonal factors, now that the program is divided into direct relief and Works Program, is not determinate and general experience as to what appeared reasonable seems the best guide.

Table 7 presents: (1) the realized changes in relief rolls since the estimates were prepared; (2) the original estimate of direct relief rolls; and (3) the estimate of direct relief rolls which would result if the seasonal index were applied to the total relief load.

In the light of this examination it appears that the true situation lies somewhere between the two estimates presented. It must be realized, however, that in so far as the monthly averages for the year are concerned the two estimates differ by 6,000 cases only. Furthermore, the assumptions as to the Works Program have not been realized in exactly the form used in the estimate. Project employment for relief certified workers has decreased by almost the exact 30,000, assumed but only about three-fourths of the decrease took place in December. The estimating is also effected slightly by the fact that the October and November estimated figures in column 4, of Table 4-A for "Other works program agencies" are slightly too large and should be 14,827 and 13,606 respectively. This effects the base of the estimate and thus introduces an error. If these factors are all taken into consideration, the estimate arrived at by applying the seasonal index to the total relief rolls closely approaches the actual direct relief rolls which have been realized thus far.

#### Direct Unemployment Relief Estimates for the Biennium 1937-39.

The preceding estimates afforded a starting point for appraising unemployment relief needs for the next biennium. The period is too long, and the conditioning factors too numerous and vague, to attempt any but a very rough appraisal of future case loads. Unemployment compensation in Pennsylvania will become effective in 1938. The way in which this will change the unemployment relief rolls is conjectural. It seems reasonably certain, however, that it cannot assist those on unemployment relief at the end of 1937 since they will not have acquired employment status. The future of the Works Program is also not known, but it seems probable that further curtailments in

Table 7

Comparison of Actual Direct Relief and Works Program Case Loads  
with the Alternative Estimates of Direct Relief Case Loads and  
the Assumed Works Program Case Load.

Week Ending	Actual direct relief case load	Estimated direct relief case loads		Works program project employment of relief certified workers	
		Seasonal applied to direct relief rolls	Seasonal applied to total relief rolls	Actual	Assumed
1936-December 12	135,120	134,000	141,000	217,189	214,000
1937-January 16	148,324	147,000	163,000	219,056	214,000
February 13	159,488	147,000	171,000	214,908	214,000
March 13	164,602	145,000	172,000	211,293*	214,000
April 17		136,000	154,000		214,000
May 15		124,000	130,000		214,000
June 12		117,000	116,000		214,000
July 17		110,000	104,000		214,000
August 14		106,000	100,000		214,000
September 18		104,000	101,000		214,000
October 16		103,000	105,000		214,000
November 13		98,000	98,000		214,000
December 18		97,000	103,000		214,000
1937 Average		120,000	126,000		214,000

\*Preliminary



this program will take place. Improvement in employment may continue through 1938 and 1939, but it is improbable that, in either of these years, the number of persons unemployed will average less than 500,000 over the months of the year. The estimate of unemployment for 1937, which allows for an increase in employment of some 150,000 persons, still shows an average monthly unemployment of 752,000 persons.

Taking all of these factors into consideration it seems reasonable to assume that the direct relief case load for the months of 1938 and the first half of 1939 will not average less than the direct relief load for December, 1937. It is assumed, therefore, that, from present indications, the monthly direct relief load will average 100,000 cases per month for the 17 months of the biennium falling in 1938 and 1939. For the months of June to December, 1937, the estimates presented previously are utilized after being corrected to account for the transfer of 2,000 cases on the waiting lists for Old Age Assistance, Mothers Assistance and Blind Pensions. The estimates are, therefore, as follows:

#### Estimated Average Monthly Direct Unemployment

##### Relief Cases and Persons

##### Biennium 1937-39

<u>Period</u>	<u>Cases</u>	<u>Persons</u>
June 1, 1937 - December 31, 1937	103,000	309,000
January 1, 1938 - December 31, 1938	100,000	300,000
January 1, 1939 - May 31, 1939	100,000	300,000

The number of persons shown in the above tabulation is based upon the approximate case size prevailing at the time of the estimate, namely 3 persons per case.

### III. Outdoor Poor Relief

#### Purpose of the Estimate

The Committee recommended that all forms of outdoor relief be supervised by one State Department, the proposed new Department of Public Assistance. This plan also requires the expansion of the present unemployment relief rolls to include the outdoor poor relief case load. It also proposes that the new department assume general supervision of the three assistance programs. Outdoor relief and assistance in Pennsylvania under this plan, would be divided into four parts: (1) General relief; (2) Old Age Assistance; (3) Aid for Dependent Children (Mothers' Assistance); and (4) Blind Assistance. The first of these would include unemployment relief and outdoor poor relief.

It is necessary, therefore, to determine how many relief cases and persons will be added to the unemployment relief rolls if the recommendation is accepted. Since the Poor Boards, who administer outdoor poor relief, had already budgeted for the year 1937, which covers the first seven months of the biennium 1937-1939, an estimate of the State appropriation required, need be for only the last 17 months of the biennium.



## The Estimate

Accurate data of a comparable character for the total outdoor poor relief cases of the State are not available. A telegraphic survey made by the State Emergency Relief Board in July of 1935 found 82,000 persons receiving outdoor poor relief in that month. It is very difficult to determine, however, whether all of these persons received relief for an entire month. In many instances this does not seem likely, on the basis of other information available.

As a part of the Committee's general research program, a sample study of the outdoor poor relief cases as of July, 1936, was undertaken. This study indicates that approximately 70,000 different persons were included in cases which received one or more items of relief at least once during the month of July or during a quarterly period which included the month of July. This number would be reduced considerably if the basis of counting cases and persons as used by the poor boards was for similar periods, and gave an adequate indication of turnover in relief cases, as the count provided by the State Emergency Relief Administration and the assistance services. It is estimated, therefore, that, after adequate investigation, the absorption of outdoor poor relief will increase the unemployment relief rolls through 1938 and the first five months of 1939 by an average of approximately 13,000 cases or 39,000 persons (using approximately the same average case size of three persons per case as is found in the unemployment relief case load). While the number of persons in this estimate is materially lower than either of the two counts referred to previously, it provides continuous and not intermittent or partial relief for an average of that number of persons, but the number of different persons receiving relief for short intervals will be materially larger.

## IV. The Assistance Programs

### Some General Considerations

The assistance programs present a problem in estimation which is different in many respects from estimations for the other types of relief. The problems are of two types: one, the estimated turnover in case loads must be based on somewhat limited data and, two, the percentage of the waiting list which will be found eligible for assistance prior to the new biennium must be estimated with only a period of a few months' experience on which to base the estimate.

Until the summer of 1936 there have not been sufficient funds to provide assistance to all eligible persons in the State, and many of those applying have been placed on the waiting list. These lists have been large in number but are rapidly decreasing since funds became available at the first Special Session of the Legislature in the summer of 1936. The assistance administration has been placing emphasis on investigating these waiting lists, a time-consuming process, so that eligible applicants can begin to receive grants. In the face of drastic inadequacy of funds for administration, it has been difficult to investigate the waiting list group and at the same time to reinvestigate currently the cases of persons who have been receiving assistance, to determine their continued eligibility and extent of need.

The Committee's program assumes, first, that the aid for dependent children (Mothers Assistance), the aged, and the blind are assistance programs based on need, and are not pensions provided irrespective of the extent of need. Furthermore, the Committee's complete program, as proposed, would extend these assistance programs in two ways: first, by absorbing the waiting lists; second, by extending eligibility to conform more closely with the

provisions of the Federal Social Security Act in lowering the age limit for old age assistance from 70 to 65 years, and by including dependent children in the homes of near relatives, and in the homes of deserted and divorced mothers and incapacitated parents, as well as in the homes of widowed mothers.

In order to determine what this last step involves, a sample study was made to determine how many persons receiving unemployment relief, or in the families of relief-certified project workers, or were receiving outdoor poor relief, would be eligible under the assistance programs after the broadening of eligibility.

At the time of making the present estimates a preliminary tabulation of the survey indicated the following number of persons on each of the relief programs as eligible for the assistance program after the extension of eligibility:

Preliminary Estimate of Persons Eligible for Assistance after  
Proposed Extension of Eligibility

Type of relief they are now receiving	Type of relief for which they would be eligible	
	Old Age Assistance (Persons)	Dependent Children
Direct unemployment relief	17,000	35,000
Works program relief	14,000	27,000
Outdoor poor relief	<u>25,000</u>	
Total	56,000	<u>62,000</u>

These persons are all now receiving relief and the recommendations, if accepted, would merely transfer them from one program to the other. It would, however, increase the burden to the State Government because of the large number of persons transferred from the Works Program, where the cost is entirely Federal, to the assistance programs, where the cost is only partially met from Federal funds.

In line with this information two separate estimates have been prepared for each of the assistance programs: first, assuming no change in eligibility; and second, assuming a change in the age limit from 70 to 65 for Old Age Assistance and the inclusion of dependent children in the homes of deserted or divorced mothers, or the homes of near relatives other than parents.

Old Age Assistance

The payroll for Old Age Assistance for the month of November, 1936, included 56,730 persons. At that time there were 46,775 persons on the waiting list. The Bureau of Assistance of the Department of Welfare estimates that, at that time, after allowing for deaths and other contingencies in so far as the existing rolls are concerned, and then correcting for those found to be ineligible on the waiting list, the total load, after absorbing the waiting list, would reach 86,000 persons. Funds were then available for the absorption of the waiting list and it was estimated that this absorption would be completed by May 31, 1937, so that at the beginning of the new biennium only current applicants will be found on the waiting list.

Although the proportion of the population over 70 years of age and in need of assistance is growing, this increase over a two year period will not be large. It is assumed that, with the inauguration of active reinvestigation on a needs basis uniform with other relief programs, cancellations will just

about offset new additions to the Old Age Assistance rolls and that the average number of persons to be provided for each month of the biennium will be approximately 87,000. The estimate is, therefore, as follows:

Estimate of Number of Persons to Receive Old Age Assistance  
(No change in age limit)

<u>Monthly Average</u>	<u>Number of Persons</u>
June 1, 1937 - December 31, 1937	87,000
January 1, 1938 - December 31, 1938	87,000
January 1, 1939 - May 31, 1939	87,000

If eligibility is extended as indicated above and becomes effective January 1, 1938, as recommended by the Committee, then the number of persons receiving Old Age Assistance will be increased for the period January 1, 1938 to May 31, 1939. It is assumed, in line with the interpretation of the assistance character of the programs, that practically all of the persons who will become eligible are now receiving relief on other programs, so that the count of such persons arrived at by the special survey mentioned above furnishes the necessary data for the new estimate. The estimate under these conditions is as follows:

Estimate of Number of Persons to Receive Old Age Assistance  
(Age limit reduced to 65)

<u>Monthly Average</u>	<u>Number of Persons</u>
June 1, 1937 - December 31, 1937	87,000
January 1, 1938 - December 31, 1938	143,000
January 1, 1939 - May 31, 1939	143,000

Under these conditions, however, the General Relief Program (Unemployment Relief plus Outdoor Poor Relief) will be reduced during the last 17 months of the biennium by 42,000 persons as a review of the preceding text indicates.

It is difficult to determine the exact decrease in cases which this number of persons will involve. It is necessary, however, to know the number of cases, since all grants are on a case basis. In some instances the discontinuance of a person means the discontinuance of a case. In other instances, however, a person may have relief discontinued while the case of which he is a member may remain on relief and receive a decreased grant. The former situation holds true for all single person cases and the latter situation would hold true for those cases having aged relatives in the case, but also having other members dependent upon an unemployed person. On the whole it seems reasonable to assume that at least three persons will need to be removed from General Relief and accepted on Old Age Assistance before the General Relief Rolls will decrease by one case.

It is estimated, therefore, that, if the Old Age Assistance Program is expanded as indicated, the General Relief Program will be smaller by a monthly average of 14,000 cases for the period January 1, 1938 to May 31, 1939.

Evaluation of the Estimate for Old Age Assistance

In every instance the assumptions are conservative. The estimate for the continuing age limit of 70 not only assumes that all eligibles are on the waiting list in November but that a large percentage of these will be found ineligible.

The most recent report of the number of persons receiving Old Age Assistance covers the payroll for March, 1937. In that month 74,871 persons



received grants and 22,797 were on the waiting list. Of those on the waiting list 6,264 have been approved by the State and county offices while 1,298 have been approved by the county offices only. Of the other 15,235 persons on the March 31 waiting list, 5,221 are awaiting assignment to investigators and 10,014 are in the process of investigation. This means virtually that the April rolls will probably include the 7,562 persons approved and thus reach a total of approximately 82,000 persons.

The estimate of 87,000 persons may seem low, therefore, particularly since only about 900 current cases are being discontinued each month while approximately 3,000 applications are being received, of which about 60 per cent are finally accepted as eligible. As previously noted, however, the pressure of clearing the waiting lists has prevented any considerable attention being devoted to reinvestigations of current recipients of old age grants. When such efforts are finally made the estimate of 87,000 persons, while low, will probably not be far from the correct figure if grants are on a uniform needs basis, as recommended by the Committee. Furthermore, continued business recovery should decrease the number of applications.

The estimate of the Old Age Assistance rolls if the age limit is lowered to 65 indicates that 24 per cent of the population of Pennsylvania-65 years of age and over will be in need of assistance. Miss Helen R. Jeter, in a memorandum to the Staff of the Social Security Board as of August 28, 1936, indicates that the limits will be somewhere between 12½ and 25 per cent. The present estimate falls within these limits and the method used certainly prevents it from being too high, since no one is included who is not on some other type of relief. In fact, the estimate will be much too low unless the program really is maintained on a true assistance, rather than a pension, basis.

#### Aid for Dependent Children (Mothers' Assistance)

The method of estimating in this instance is similar to the one used for Old Age Assistance. The number of children receiving aid under this program in November, 1936 was 23,989. At that time there were 20,400 children on the waiting list. It is estimated, on the basis of past experience, that, after clearing the waiting lists of all but current applications, the number of children assisted will approximate 42,900. This is assumed to be the level around which the number of children assisted each month will fluctuate during the biennium 1937-39.

If the eligibility requirements are changed as recommended, so as to include children in the homes of near relatives other than widowed mothers or in the home of divorced or deserted mothers, then the number of children assisted during the last 17 months of the biennium will average 104,900. This figure is secured by adding the 62,000 children which are found eligible in the special survey of other relief loads, as previously mentioned.

Under these conditions, however, the General Relief rolls will be decreased by 35,000 persons since 35,000 children on the direct unemployment relief rolls are eligible. Such a decrease in persons is assumed to account for 11,000 cases, or slightly more than 3 persons per case. If eligibility under both Old Age Assistance and Mothers' Assistance is extended, then the estimate of General Relief must be reduced by 25,000 cases (14,000 transferred to Old Age Assistance, of which approximately 8,000 are former outdoor poor relief cases, and 11,000 children transferred to Aid for Dependent Children).

#### Evaluation of Estimate of Dependent Children (Mothers' Assistance)

In the month of March, 1937, there were 30,146 children who received assistance. At the end of the month there were 13,598 children on the waiting list of whom approximately 3,400 have been investigated and partially

approved. The April rolls will probably reach 33,500 and leave a 9,400 margin for the estimate of 42,900. Since only about 50 per cent of the 10,000 remaining on the waiting list will be found eligible, this seems a reasonably safe margin, even though new eligible applications are exceeding cancellations each month (about 700 added for 300 cancellations). When active reinvestigations are resumed the number accepted each month will probably not exceed, over the biennium, the number discontinued.

In Miss Jeter's memorandum, referred to previously, the maximum and minimum number of children who will probably be found eligible under the broad inclusion of the Federal Act, is set at from 5 to  $2\frac{1}{2}$  per cent respectively, of the population under 16 years of age. The estimate of 42,900, which is for a very narrow coverage, includes approximately 1.4 per cent of Pennsylvania's population under 16 years of age, while the 104,900 estimate for the broader coverage is 3.5 per cent of the population group under 16 years of age. This indicates the reasonableness of the present estimates and affords a check on the method used.

### Blind Assistance

The program as now administered in Pennsylvania is practically a pension program for all persons having "three-sixtieths or ten-two hundredths, or less of normal vision." Under the proposed program it would assume an assistance status, but the definition of blindness would be somewhat relaxed and would include all persons having no vision, or "with correcting glasses having vision so defective that they could not perform the ordinary activities for which eyesight is essential."

The present estimate is for the proposed program and assumes that the placing of Blind Assistance on a needs basis will prevent the blind assistance rolls from increasing during the coming biennium very much beyond the level reached in November, 1936, when these estimates were prepared. At that time there were 9,535 blind persons receiving assistance and a waiting list of 928 persons. It is estimated that after absorbing the eligibles on the waiting list the number of persons will level off during the biennium at approximately 10,250. This estimate is premised on the assumption that active reinvestigations of cases receiving aid will provide enough cancellations to permit the acceptance of new applicants who have actual need of assistance. This is thought possible, even though the degree of blindness required is slightly decreased. In fact, the degree of blindness is not really reduced, but merely restated in terms of its economic implications.

The blind assistance reports for March, 1937, show 10,002 persons receiving aid and a waiting list of 961 persons. Of those on the waiting list approximately 277 have been investigated and are waiting final approval in either the county or state offices, so that the April rolls will probably reach 10,288 persons and thus slightly exceed the estimate of 10,250 persons for the coming biennium. This would seem to indicate that the estimate is rather low, but with active reinvestigations under the proposed law the biennium level should not exceed the present level and may even be decreased.

### Recapitulation of Case Load Estimates

Table 8 presents in terms of cases and persons the estimates for all of the programs surveyed. The first part of the table presents the actual case loads through March, 1937, for each of the programs for which data are available. The second and third parts of the table present the estimates (1) on the basis of no change in the eligibility requirements and (2) on the basis of changed eligibility.

In order to provide a complete picture, Veterans' Relief is included



Table 8  
Number of Persons on Pennsylvania's Outdoor Public Assistance Programs by Type of Program

Line No. (1)	Period (2)	General Assistance*		Poor Relief**	Veterans' Relief	Old Age Assistance	Dependent Children		Blind Assistance	Works Programs**			
		Cases (3)	Persons (4)	Persons (5)	Persons (6)	Persons (7)	Families (8)	Children (9)	Persons (10)	Workers Employed (11)	Persons Supported (12)	Total Persons (13)	
I Actual Cases and Persons Receiving Public Assistance													
1	January - 1937	149,912	455,713	4,132		57,703	10,064	25,158	9,758	219,055	891,399		
2	February	180,234	492,277	4,052		70,917	10,647	27,655	9,892	214,908	877,198		
3	March	164,670	507,377	4,088		74,871	11,583	30,148	10,002	211,147	860,988		
II Estimated Cases and Persons after Consolidation of Programs but No Change in Eligibility													
4	June 1, 1937 - December 31, 1937	103,000	309,000	39,000	4,200	87,000	18,500	42,900	10,250	214,000	874,000	1,365,350	
5	January 1, 1938 - December 31, 1938	115,000	339,000		4,200	87,000	15,500	42,900	10,250	185,000	755,000	1,236,350	
6	January 1, 1939 - May 31, 1939	115,000	339,000		4,200	87,000	18,500	42,900	10,250	185,000	755,000	1,236,350	
III Estimated Cases and Persons After Consolidation of Programs and Changing of Eligibility													
7	June 1, 1937 - December 31, 1937	103,000	309,000	39,000	4,200	87,000	15,500	42,900	10,250	214,000	874,000	1,365,350	
8	January 1, 1938 - December 31, 1938	86,000	262,000		4,200	143,000	40,300	104,900	10,250	185,000	714,000	1,236,350	
9	January 1, 1939 - May 31, 1939	86,000	262,000		4,200	143,000	40,300	104,900	10,250	185,000	714,000	1,236,350	

\*Average number of persons and cases for the period specified. The heading "General Assistance" does not apply completely until January 1, 1938 when it is assumed that the outdoor poor relief case loads will be absorbed by the proposed Department of Public Assistance.

\*\*No accurate figures available for the entire state. It is estimated that about 13,000 case or 39,000 persons will be taken over by the general assistance program if outdoor poor relief is discontinued January 1, 1938. See general discussion in connection with Unemployment relief.

\*\*\*Column 11 indicates employment by the Works Program exclusive of the Transient, NVA, and CCC Programs. Column 12 is estimated from the employment figures in Column 11 by assuming 4 persons per family for all workers on the WPA and Other Project employment programs and then adding the estimated number on the CCC and NVA programs.

and two columns are provided for the Works Program. This helps to form a clear picture of the number of persons receiving, or estimated to be in need of, public assistance in their own homes. It does not, of course, include any figures on institutional care or the care of children in foster homes. The inclusion of the Works Program also helps to emphasize an assumption present in practically all of the other estimates. Unless the Works Program does maintain project employment for relief certified workers at the levels here indicated, the other estimates must be altered materially.

The assistance basis of the entire set of estimates is clearly indicated by the fact that the totals in terms of persons are identical for Parts II and III of the table. In Part III the persons are distributed among the programs so that all persons are placed in the relief program to which they properly belong, but the number of persons in need of relief is not increased by the expansion of some and contraction of other programs.

#### V. Biennium Costs of Relief and Assistance

The Committee's recommended program involved four principal objectives: First, the consolidation under a State Department of Public Assistance and county assistance boards, of Unemployment Relief, Outdoor Poor Relief, Old Age Assistance, Aid for Dependent Children in their own homes (Mothers' Assistance), and Blind Assistance; Second, the assumption by the State government (with Federal participation) of full financial responsibility for these programs; Third, the extension of eligibility for Old Age Assistance so as to include persons 65 years of age or over, and for Dependent Children (Mothers' Assistance) so as to provide for needy children in the homes of near relatives and of divorced or deserted mothers, as well as widowed mothers; Fourth, to provide assistance on a minimum basis of health and decency.

In order to set forth clearly what each of these recommendations involved, three separate estimates of costs were prepared. The first estimate (Table 9) is based upon the coordinated program with State financial responsibility, but without any change in the eligibility requirements or any modification of existing grants. The second estimate (Table 10) differs from the first by allowing for changes in grants in line with the fourth recommendation. The third estimate involves all four of the principal objectives.

The case loads for the first two estimates are presented in Table 8, Part II, while the case loads for the third estimate are shown in Table 8, Part III. The estimated costs do not in any instance include costs for the Works Program.

#### The Three Estimates of Costs

Table 9 indicates that the consolidated program without changes in grants or in eligibility would cost, including administration, \$166,144,000. This is increased (Table 10) to \$182,556,000 when some allowance is made for increases in grants and for medical assistance. Table 11 presents the third estimate and provides for extended eligibility as well as the other items. The cost under these conditions totals \$207,505,000. Each of the tables presents these totals subdivided into the shares of the respective governments, as well as into the types of cost involved. The appearance of local governmental costs arises because under the recommended plan it does not seem practical to take over the local government costs for outdoor poor relief, Old Age Assistance and Mothers' Assistance until January 1, 1938. The Federal costs in estimates 1 and 2 previously discussed are \$33,221,000, since the increase in grants for estimate 2 comes entirely from State funds. The Federal cost for estimate 3 is \$49,584,000 since a larger portion of the relief persons are, in this instance, on the Federal Aid programs.

Review of Estimate 1 - Table 9

The first estimate of assistance costs presented in Table 9 is based upon the following average expenditures per case or per person:

<u>Assistance Program</u>	<u>Average Grants</u>
Unemployment and General Relief	\$ 7.20 per case per week
Old Age Assistance	22.00 per person per month
Aid for Dependent Children	13.75 per child per month
Blind Assistance	29.90 per person per month
 Veterans' Relief	 Usual expenditures per month of \$38,000 for a fairly constant number of persons. This is approximately \$9.05 per person per month for the estimated average monthly case load of 4,200 persons.

These per case or per person expenditures are those prevailing at the time the estimate was originally made (November, 1936). One-half of the Old Age Assistance and Blind Assistance expenditures and one-third of the Dependent Children expenditures will be paid from Federal funds. During the seven months of the biennium falling in 1937 one-third of the aid for dependent children will be paid by the county governments so that the State only assumes one-third of the assistance costs of this program during these months. For the remainder of the biennium, however, the State government will pay two-thirds of the assistance costs of this program. Unemployment and general relief, as well as Veterans' relief, comes entirely from State funds.

The estimated cost of administration is based upon a detailed budget of personnel requirements at the now existing rates of pay for the personnel required. For each of the state supervised programs an analysis has been made to determine the number of visitors required to handle the probable average monthly number of applications and the necessary reinvestigation of current case loads. The clerical staffs required for the keeping of records and the supervisory personnel is then determined on the basis of past experience under efficient management. These necessary expenditures are calculated for each of the individual programs. With this completed the over-all supervisory personnel of the proposed Department of Public Assistance and county assistance boards has been determined, as well as the accounting and disbursement personnel, and the cost of these activities. A further addition has been made, covering the cost of supplies, travel, rent, and similar expenditures, and a final total administration cost secured, which amounts to \$15,072,000, of which \$12,258,000 will be contributed by the State government, \$1,857,000 by the Federal government, and \$957,000 by the county governments. The over-all expenditure for administration is then apportioned among the several programs on the basis of the percentage of assistance costs which each program accounts for. This statement of administration costs for each program must not be interpreted as signifying that the programs can be operated individually on these administration costs, since all over-all costs are based upon unified and coordinated administration.

A comparison, on the fairest basis possible, indicates that these administration costs are at least \$2,870,000 lower than could possibly be



achieved under the present organization of the programs. This is a very conservative statement, since the estimate of administration costs under the new program includes certain costs, such as the issuance and disbursement of assistance checks, not included in the administration costs now assigned to the public assistance program, since they are carried in the costs of the offices of the State and county treasurers. If these items were included, the present costs of public assistance administration would be significantly larger.

The method of determining the probable saving in administration costs is summarized in Table 12. Part A of Table 12 shows the cost of administering the programs under the present organization and assuming the same case loads. The footnotes indicate the method used to determine administration costs under the present set-up and show that the costs are either based upon past experience or present legal limitation.

#### Review of Estimate 2 - Table 10

The only difference between estimates 1 and 2 is the inclusion in estimate 2 of \$13,104,000 for increased grants and \$3,308,000 for medical care. The increase in grants applies entirely to Unemployment and General Relief, Aid for Dependent Children (Mothers' Assistance), and Veterans' Relief. The increase in grants for aid to dependent children must come entirely from State funds, since the estimates of Federal grants included in estimate 1 are the maximum permissible under the Federal law. The other two assistance programs are financed entirely from State funds so that the entire cost of the increase in grants must be borne by the State government. Since, also, the Federal government does not provide for medical relief in the assistance programs the entire increase in estimate 2 over estimate 1 is found in State funds, with the Federal contributions remaining unchanged.

The Committee's program called for assistance grants at a level sufficient to maintain standards of health and decency. It is impossible to determine in advance exactly what the recommendation involves in terms of specific allowances under the several programs. The Committee recognizes this fact and places upon the proposed Department of Public Assistance the responsibility for determining what these levels should be after careful investigation of costs in the various communities of the State.

It is quite obvious that the Department would be materially handicapped in its performance of this duty if funds are not provided for the more glaring instances of inadequacy. The provisions for increased grants are, therefore, not to be interpreted as representing an appraisal of what constitutes an adequate grant. They do to some extent modify the more pronounced instances of inadequacy and thus place the various programs on a more nearly equal basis. The only real appraisal of their actual adequacy or inadequacy must await the findings of careful investigation.

The Unemployment Relief grant of \$7.20 per case per week seemed one instance of unmistakable inadequacy, since the average case contains three persons. The items in this grant which seemed to require immediate adjustment were food and shelter. The food item covers about 60 per cent of the entire grant (\$4.32) and recent budget studies have indicated a need to raise food grants by at least 6 per cent (\$.26). The shelter allowance is only about 10 per cent (\$.72) of the total grant and a doubling of this amount is extremely desirable, since even after doubling, it constitutes less than half of what would be required for commercial rent in the majority of cases. Increasing both of these items in this manner would increase the average weekly grant per case to approximately \$8.18 (\$7.20 + \$.26 + \$.72), or approximately 13.6 per cent. This is the basis for the recommended increase in the allowance for Unemployment and General Relief.

Table 9

The Estimated Cost of a Coordinated Program  
Without Increased Grants and Without Extension of Eligibility  
for the Biennium June 1, 1937-May 31, 1939

Line No. (1)	Type of assistance (2)	Total costs (3)	Assistance costs at present levels of grants (4)	Cost of administration (5)
1.	Unemployment and General Relief	\$91,787,000	\$ 82,712,000	\$ 9,075,000
2.	Old Age Assistance	24,806,000	22,968,000	1,838,000
3.	Dependent Children (Mothers' Assistance)	9,192,000	8,063,000	1,129,000
4.	Blind Assistance	3,892,000	3,676,000	216,000
5.	Veterans' Relief	912,000	912,000	-
6.	Total State Cost	\$130,589,000	\$118,331,000	\$12,258,000
6.	Total State Cost	\$130,589,000	\$118,331,000	\$12,258,000
7.	Federal Cost	33,221,000	31,364,000	1,857,000
8.	Local Cost	2,334,000	1,377,000	957,000
9.	Total All Governmental Cost	\$166,144,000	\$151,072,000	\$15,072,000



Table 10

The Estimated Cost of the Program  
with Increased Grants and without Extension of Eligibility for Old Age Assistance to 65 Years of Age  
or Mothers' Assistance to Conform with Provisions of the Federal Social Security Act  
for the Biennium 1937-1939

Line No. (1)	Type of assistance (2)	Total costs (3)	Assistance costs at present levels of grants (4)	Allowance for increased grants (5)	Allowance for medical care (6)	Cost of administration (7)
1.	Unemployment and General Relief	\$104,922,000	\$ 82,712,000	\$ 11,250,000	\$1,885,000	\$9,075,000
2.	Old Age Assistance	25,676,000	22,968,000	-	870,000	1,838,000
3.	Dependent Children (Mothers' Assistance)	11,205,000	8,063,000	1,584,000	429,000	1,129,000
4.	Blind Assistance	3,995,000	3,676,000	-	103,000	216,000
5.	Veterans' Relief	1,203,000	912,000	270,000	21,000	-
6.	Total State Cost	\$147,001,000	\$118,331,000	\$13,104,000	\$3,308,000	\$12,258,000
6.	Total State Cost	\$147,001,000	\$118,331,000	\$13,104,000	\$3,308,000	\$12,258,000
7.	Federal Cost	33,221,000	31,364,000	-	-	1,857,000
8.	Local Cost	2,334,000	1,377,000	-	-	957,000
9.	Total All Governmental Cost	\$182,556,000	\$151,072,000	\$13,104,000	\$3,308,000	\$15,072,000

Table 11

## Recommended Plan

with Increased Grants and Extension of Eligibility for Old Age Assistance to 65 Years of Age  
and for Dependent Children (Mothers' Assistance) to Conform with Provisions of the Federal Social Security Act  
for the Biennium June 1, 1937 - May 31, 1939

Line No. (1)	Type of assistance (2)	Assistance				Cost of administration (7)
		Total costs (3)	costs at present levels of grants (4)	Allowance for increased grants (5)	Allowance for medical care (6)	
1.	Unemployment and General Relief	\$ 88,498,000	\$69,464,000	\$ 9,447,000	\$ 1,600,000	\$ 7,987,000
2.	Old Age Assistance	37,417,000	33,440,000	-	1,430,000	2,547,000
3.	Dependent Children (Mothers' Assistance)	24,474,000	17,722,000	3,855,000	1,050,000	1,847,000
4.	Blind Assistance	3,995,000	3,676,000	-	103,000	216,000
5.	Veterans' Relief	1,203,000	912,000	270,000	21,000	-
6.	Total State Cost	<u>\$155,587,000</u>	<u>\$125,214,000</u>	<u>\$13,572,000</u>	<u>\$4,204,000</u>	<u>\$12,597,000</u>
6.	Total State Cost	\$155,587,000	\$125,214,000	\$13,572,000	\$4,204,000	\$12,597,000
7.	Federal Cost	49,584,000	46,667,000	-	-	2,917,000
8.	Local Cost	2,334,000	1,377,000	-	-	957,000
9.	Total All Governmental Cost	<u>\$207,505,000</u>	<u>\$173,258,000</u>	<u>\$13,572,000</u>	<u>\$4,204,000</u>	<u>\$16,471,000</u>

The Aid for Dependent Children (Mothers' Assistance) program probably is the most striking instance of inadequacy. The average grant per child per month is now only \$13.75. Since the average family on this program averages 2.6 children and 3.6 persons (including the mother), this is a monthly grant for the 3.6 persons of only \$35.75 ( $\$13.75 \times 2.6$ ), or a grant per person per month of only \$9.93 ( $\$35.75 \div 3.6$ ). The revised unemployment relief grant of \$8.18 per case per week is approximately \$35.17 ( $\$8.18 \times 4.3$ ) per case per month. In this instance, however, the average case only includes three persons so that the average grant per month per person is \$11.73. This gives a discrepancy between the two grants of \$1.80 ( $\$11.73 - \$9.93$ ). Furthermore, the average unemployment relief case has approximately \$.50 per case per week as income. This is \$2.15 per case per month ( $\$.50 \times 4.3$ ) or \$.72 per person per month. The average case on the aid for dependent children programs will not have more than half this income so that the difference of \$.36 is added to the \$1.80 to give the amount by which the grants for dependent children should be increased, or \$2.16. This increases the prevailing grant of \$13.75 per child per month to \$15.91. This increase in grant is approximately 16 per cent. Since this program is not recommended to be taken over for State financing until January 1, 1938, the increase in grants was applied in estimate 2 only for the last 17 months of the biennium.

The Veterans' Relief program has been spending approximately \$38,000 per month on a case load of 4,200 persons. This is approximately \$9.05 per person per month. The increased grant for unemployment relief is \$11.73 per person per month so that Veterans' Relief should be increased to this level or by 29.6 per cent.

The estimated additions for medical care are based upon the experience of the State Emergency Relief Board during the year 1935. In that year approximately \$8.34 was spent per case per year. Since the case load for Unemployment and General Relief averages approximately 113,000 cases this gives \$1,885,000 as the biennium requirement for medical care on this program.

The case loads on the assistance programs are in terms of persons and no experience exists as to medical requirements. It is undoubtedly true, however, that medical costs in these instances would be larger than for unemployment relief. Under these circumstances the figure of \$10 per person for the last 17 months of the biennium was taken as being reasonable and the amounts in column 7 of Table 10 obtained by multiplying this amount by the average case load. Medical care under Veterans' Relief was based upon a cost of \$5 per person per biennium or approximately the cost under unemployment relief.

Administration for estimate 2 is the same as for estimate 1, since the case loads remain unchanged even though the costs rise as a result of the provisions for increased grants and medical care.

#### Review of Estimate 3 - Table 11

The procedure in this instance is practically identical with estimate 2 and the difference in cost arises almost entirely from the shifting of persons and cases to the program to which they really belong. The State costs rise because with the extension of the assistance programs the members of families of Works Program project workers become eligible and while the total relief population is not increased, the State-supported programs include a larger number of persons. The total costs rise because the programs as expanded provide more adequate relief. These comments are easily illustrated by comparing total costs and State and Federal costs as set forth in the two estimates. Total costs increase by \$24,949,000; Federal costs increase by \$16,363,000; while State costs increase by only \$8,586,000. In other words

approximately \$25,000,000 more assistance could be provided by a State expenditure of less than \$9,000,000. This is due to the fact that the programs expanded in estimate 3 are those for which Federal aid can be received.

Administration costs under estimate 3 are slightly larger than under the other two estimates. Normally the cost of administration under the conditions of the third estimate would be lower because the assistance programs require less frequent reinvestigations. In a transition period, however, it is necessary to provide for the investigation incident to the transfer of cases and this slightly increases the administration costs for the next biennium.

(2)

An Experiment in Local Administration  
of Unemployment Relief  
in  
Six Counties of Pennsylvania  
October, 1936 to April, 1937

Technical Staff for this Study

Dorothy Friedland - Director of Study; Author of Report  
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Public Assistance and Relief





An Experiment in Local Administrationof Unemployment Relief

in

Six Counties of Pennsylvania

October, 1936 to April, 1937

Introduction

With each succeeding financial or administrative crisis in unemployment relief in Pennsylvania during the past few years, emphatic suggestions have been heard in legislative halls and outside, that responsibility for this relief administration be returned to the local communities. During the special session of the Legislature in the summer of 1936, these demands became especially frequent and urgent.

In August, Governor George H. Earle announced, with the approval of the State Emergency Relief Board, that an experiment in this direction would be undertaken in the hope of deriving, during the ensuing months, information of value to the Administration and to the Legislature in guiding the formulation of a permanent relief policy for the State.

Six counties were selected for the experiment by the State Emergency Relief Board. These counties were chosen partly on the basis of their own expressed desire for an increased measure of local administrative control, and partly because they were believed to represent economic conditions and relief trends which would make an experiment in local administrative control most feasible and most valuable. They were counties in which the case load was relatively small and was tending to decline, and they were predominantly rural, although at least three were chosen because they included, in addition to agricultural communities, industrial or mining areas. Two were in the western end of the State, Butler and Clarion; two were in the central section, Centre and Cumberland; and two were in the east, Carbon and Chester.

Population, Location, and Industrial Characteristics  
of the Six Counties Selected for the Experiment

Counties	Population 1934 - estimated	Geographic location in State	Per Cent urban	Industrial Characteristics*
Butler	81,736	Western	28.74	Well distributed
Carbon	63,696	Eastern	62.77	Manufacturing and Mining
Centre	47,066	Central	31.42	Well distributed
Chester	131,121	Eastern	41.53	Manufacturing and Agriculture
Cumberland	72,004	Central	54.45	Manufacturing and Agriculture
Clarion	38,891	Western	9.92	Well distributed

\*According to classification used by State Planning Board.

A local bi-partisan board of four persons was created in each county, two members appointed by the Democratic members of the State Emergency Relief Board and two appointed by the Republican members of that board. At a meeting of the appointed members in the Governor's office on September 24, 1936, Governor Earle announced to them that they were to be given a completely free hand in the administration of relief in their respective counties. They were free to hire and dismiss personnel, to determine standards of eligibility for relief and the amount of the relief grants. They were at liberty to use any method of procedure which seemed to them wise. They would have the full cooperation of the State Emergency Relief Board, which would allocate funds for relief on the basis of need in the counties, and its organization would assist at any point where it was useful or desirable in the judgment of the county boards. In other words, these boards were to be allowed the widest possible latitude in experimenting with complete local autonomy in relief administration.

Only a few simple conditions were attached to this extensive grant of power. The first was a requirement that these local boards continue to report periodically to the State Board the number of families and individuals receiving relief, the total amount of relief, and other data, in order to determine the amount of funds to be allocated to the county, and in order that conditions in the whole State should be currently known to the State Administration and could be reported by it to the public. The second was the requirement that if any of these boards desired to continue to use the disbursing services of the State organization, they should use also the financial forms and records required by that service. These procedures and forms and some of the related factors were explained by the State Emergency Relief Administrator.\*

It was further stipulated by the Governor and the State Emergency Relief Administrator that in order that the experiment might be of greatest possible value, it should be continually observed and studied by representatives of the Pennsylvania Committee on Public Assistance and Relief, and that the results should be summarized and reported by that Committee as well as by the individual local boards in the six counties.

In submitting herewith, pursuant to this assignment, a report upon this experiment, the Committee wishes to acknowledge the cordial and helpful cooperation of the members of the local boards and of the local staffs throughout the period under consideration. Each local board at the Committee's request also has submitted its own statement on the experiment, which is attached to this report. (See Supplement B)

#### The Method of Study

The Committee's study was designed to observe and interpret any differences in standards, procedures, policies, or scope of unemployment relief administration which might result from the change from State to local control. The representatives of the Committee scrupulously avoided extending advice, criticism, or supervision in any form to local boards or staffs in the course of this study. The Committee was concerned only in gathering accurate current and cumulative information as to the problem under consideration.

Study of the experiment in each county was begun immediately after the boards organized. Each county except Clarion, where the new local Board did not operate, was visited early in the experiment by a member of the staff of the Committee and was revisited several times after the boards were in

\*See statement of State Emergency Relief Administrator, Supplement A.

full operation. Board members, both individually and in board meetings, were interviewed, as were the executive directors of the county relief boards, the executives of other local social agencies, both public and private, and other representative citizens in each county.

The Committee subscribed to a number of local newspapers in each county in order to learn through this medium, in addition to personal conferences, local reactions to the experiment as it progressed.

In order to have a basis of measurement of developments in the experimental counties, in comparison with those in counties remaining under the State Emergency Relief Board's direct control, six additional counties,\* near the experimental counties and similar to them in population, general economic conditions, and relief trends, were selected for comparative study. From October 10 to December 19, statistical data, indicative of the essential factors of relief administration, were gathered and analyzed at an office of the Committee in Harrisburg. These were obtained from reports made by the county relief offices on case load changes and changes in status of individual cases, as well as in administrative organization. Analysis of the special data gathered in this way during the first three months of the experiment showed no significant changes or trends in the experimental counties and disclosed also that all of these counties were using the regular State forms for reporting. In view of this situation, the independent collection and analysis of statistics were discontinued as of December 19, 1936 and statistical reports thereafter were received through the State and area or unit offices of the State Emergency Relief Administration.

\* Bucks, Northumberland, Franklin, Huntingdon, Armstrong, and Jefferson.

Chart A

Field Visits to Autonomous Counties

Counties	Dates Visited	Persons Interviewed
Centre	November 10	Members of County Emergency Relief Board
	11	
	January 7	
	8	Executive Director, County Emergency Relief Board
	March 3	Executive Secretary, Mothers' Assistance Fund Board
	4	Chairman, first County Emergency Relief Board
		Member, first County Emergency Relief Board District Attorney Member, County Review Committee Chairman, County Organization of Unemployed (Present at staff meeting)
Chester	November 6	Members of County Emergency Relief Board
	December 2	Executive Director, County Emergency Relief Board
	January 15	Supervisor, County Emergency Relief Board
	28	President, County Commissioners
	March 8	County Poor Director
		Executive, National Reemployment Service
		Executive Secretary, County Mothers' Assistance Fund Board Executive, Social Service Society Member, County Review Committee (Attended one Board meeting)
Cumberland	November 8	Members of County Emergency Relief Board
	9	Executive Director, County Emergency Relief Board
	January 5	County Judge
	6	District Attorney and Member, County Review Committee
	March 1	Executive, Welfare Association
		Executive Secretary, County Mothers' Assistance Fund Board County Commissioner Investigator for County Poor Board Member, first County Relief Committee Executive, Chamber of Commerce President, first County Relief Board (Attended one Board meeting)



Chart A

Field Visits to Autonomous Counties  
(continued)

Counties	Dates Visited	Persons Interviewed
Butler	November 20	Members of County Emergency Relief Board
	January 19	Executive Director, County Emergency Relief Board
	20	Chairman, County Mothers' Assistance Fund Board
	March 2	Executive Secretary, County Mothers' Assistance Fund Board
		Executive, Catholic Charities
		President, Children's Aid Society, Western Pennsylvania
		County Commissioners
		Poor Relief Investigator for County Commissioners
		Former President, County Relief Committee
		Former Member, Area Board (2)
Carbon		Executive, Chamber of Commerce
		(Attended one Board meeting)
	November 4	Members of County Emergency Relief Board
	5	Executive Director, County Emergency Relief Board
	19	Executive Secretary, County Mothers' Assistance Fund Board
	December 21	Executive, Connors' Fund
	22	Executive, Panther Valley Relief Committee
	February 1	County Judge, and member of former County Relief Board
	2	County Commissioners
		Chairman, County Review Committee
		Attorney, and former member of Area Board and County Advisory Committee
		Poor Director, Middle Coal Field District
		(Attended one Board meeting)

# Chart B

## STATISTICAL SERVICE

Counties	Dates	Type of Statistics	Summaries	Conclusion
6 AUTONOMOUS COUNTRIES	1. Oct. 10, 1936 to Dec. 19, 1936	1. a. SERB records on Case Load Trends and Changes in Status of Cases prior to October 10, 1936	1. Cases opened and closed, applications accepted and rejected, net change in case load, for autonomous and comparable counties from October 10 to December 19, 1936.	1. All autonomous counties using regular State forms for reporting. No significant changes or trends in autonomous counties as compared with comparable counties. Statistical study discontinued Dec. 19, 1936
6 Comparable Counties		b. List of all cases in autonomous and comparable counties, active on October 17, 1936.		
BUTLER Armstrong		c. SERB Form 22-C- Oct. 10 to Dec. 19. Individual Case Changes.		
CENTRE Huntingdon		d. SERB Form RS-31- Oct. 10 to Dec. 19. Weekly Analysis of Changes in Case Load.		
CHESTER Bucks		e. SERB Form RS-8- Oct. 10 to Dec. 19. Weekly report of Intake and Investigation.		
CUMBERLAND Franklin		2. Dec. 19, 1936 to March 13, 1937	2. Work load and personnel, cases and persons receiving direct relief, cases opened and closed, cases reinvestigated, cases closed by reinvestigation, applications rejected, expenditures for direct relief, administrative costs, for autonomous and comparable counties	2. See text preceding Tables I to IX.
CARBON Northumberland				
CLARION* Jefferson				

\*Since the appointed Local Board in Clarion County was not organized for work, statistical data were not followed through for this county.

## County Organization Before Experiment

A picture of the organizational set-up in each county prior to the experiment provides the necessary background for understanding the developments under the new county boards.

Prior to the experiment, each of the five counties had been a part of an area of the State Emergency Relief Administration embracing two or more counties in one unit for administration, under an area board, with members selected from each of the counties in the area, excepting only Chester County in Area 19, which had no members on the area board. In each area office were executive director, area relief supervisor, and a clerical staff, while the personnel in each county in the area included a county supervisor and a visiting, interviewing, and clerical staff, working under the general direction of the area executive director and of the area relief supervisor. Executive and administrative functions in all counties in the area were the responsibility of the area executive director. Financial and statistical field service was likewise provided by the State Emergency Relief Administration to each area and, as needed, to each county in the area.

Local committees in the counties prior to the experiment were of two types: (1) a review committee of three members, who heard and passed upon cases in which an assignment to jobs on Works Progress Administration or other forms of public or private employment had been refused by the client; (the decision of the review committee was final and was referred to, and accepted by, the executive director of the area); (2) an advisory committee, in Carbon County, which functioned as a case committee to interpret the work of the county office of the Emergency Relief Administration to the local communities in the county. This committee was discontinued by the area director immediately prior to the time when the local board in Carbon County began to function.

The State office of the State Emergency Relief Administration also provided the services of a field representative, who was responsible for the interpretation of State policies to local administrations and for the interpretation of situations in the counties to the State office. The field representative was responsible for "working toward the solution of local administrative problems, development of uniform practices, and the efficient operation of local administrations."\*

## Beginning of Operation of Local Boards

The development in the counties is briefly summarized at this point from more extensive information secured in each of the counties and on file in the offices of the Committee. All comments concerning the value of the experiment as a guide in the formulation of a permanent relief policy and the relation of the experiment to the Committee's recommendations for a unified relief program for the State, are reserved for the summary section of this report.

With one exception, the members of the local boards in the autonomous counties were appointed on September 24, 1936, and in accordance with the plan, each board notified the State Emergency Relief Administration when it would assume the responsibilities for the administration of unemployment relief in its county. The following chart indicates the dates and early developments of official operations:

\*State Emergency Relief Board Manual

Chart C

Type of Organization Prior to and during the Experiment

	Type of organization prior to experiment	Date local board appointed	Date local board formally notified of beginning of experiment	Local committees continued under local board	State field service under local board
Butler	Part of SERB administration Area #10 (Mercer, Lawrence, Butler) 2 members 4 Butler County representatives on area board County review committee.	2 members 9/24/36	11/1/36	None	Discontinued
Carbon	Part of SERB administration Area #6 (Pike, Monroe, Lehigh, Northampton, Carbon) County committee of 13 functioning as advisory board County review committee.	9/24/36	10/15/36	County review committee	Continued
Centre	Part of SERB administration Area #7 (Clearfield, Centre) 7 Centre County representatives on area board County review committee	9/24/36	10/5/36	None	Continued
Chester	Part of SERB administration Area #19 (Delaware, Chester) No Chester County representatives on area board, which functioned only for Delaware County 4 County review committees throughout county - only 1 in West Chester actually functioned.	9/24/36	9/26/36	County review committee	Continued
Cumberland	Part of SERB administration Area #4 (Adams, Fulton, Franklin, Cumberland) 3 county representatives on area board County review committee	9/24/36	10/15/36	None	Discontinued



The Chester County Board was organized almost immediately after its appointment; the boards in Centre, Carbon, and Cumberland were active before the fifteenth of October; and the board in Butler County officially organized on November 1, 1936. The appointed board in Clarion County has not organized for work to date, and unemployment relief in that County has been administered under the regular provisions of the State Emergency Relief Board. Hence, this study is limited to the developments in the five counties of Butler, Carbon, Centre, Chester, and Cumberland.

The men and women appointed to the bi-partisan local boards in these counties represented various types of interests and experience. They included business executives, attorneys, clergymen, persons active in civic affairs and organizations. Some had been members of boards of directors of private social agencies, but only one of the twenty persons appointed had previously been a member either of a local committee of the county relief administration or of a county or area relief board. They thus were faced with two responsibilities: first, to familiarize themselves with policies and procedures of unemployment relief administration, with standards of eligibility and adequacy of relief grants, with staff organization responsibilities and problems, with budget needs and recommendations; and second, to organize as a board and to assume the administrative functions, in relation to staff, clients, and community, of such an official body.\*

In each county, the board announced that the staff would be retained intact, (with some adjustments necessary in order to reallocate administrative responsibility), for the time being at least, and that State policies and procedures would be retained until the board could familiarize itself with the policies and the problems.

#### Relation to State Office

Throughout the Committee's observation of the experiment, each of the local county boards continued to use, with minor variations, the standard policies of the State Emergency Relief Administration in the determination of relief eligibility and of the amount of relief to be granted. The boards, likewise, in each of the five counties continued to use the reporting forms for case changes, case loads, and the statistical reports to the State which had been provided prior to the experiment. Some of these forms were required, but others, although not required, were continued.

All the local county boards decided to use the financial disbursing system of the State Emergency Relief Administration, and according to stipulation were committed to the use of the regular State forms for that service. This means that relief authorizations, changes in relief grants, discontinuances, are reported to the area disbursing office which then writes and mails the relief grant for the specified amount, or discontinues sending the check, as the records indicate.

Although not a required procedure, the county boards in Carbon, Centre, and Cumberland counties requested that they continue to receive the regular notices and releases concerning changes in policies and procedures for the State Emergency Relief Administration, and that the field staff of the State office continue to visit the counties and provide service to them. Releases likewise are sent to the offices in Butler and Cumberland counties, but field service was not requested and therefore not supplied in these two counties.

In each county, the executive director with the consent of the county board continues to attend the monthly meeting of executives of area, unit, and county offices. In this way, the local boards are informed of any

\*See reports of individual county boards in Supplement B.

matters of importance to the State as a whole or to their specific county.

Review committees were discontinued in Butler, Centre, and Cumberland counties, while in Carbon and Chester counties the review committees have continued to function without change.

### Board Meetings

When the local boards met, they selected a chairman and organized for work. Minutes are kept of the business of the meetings. They are taken by a member of the board in Carbon and Cumberland counties, by the chief clerk of the county relief office in Butler County, and by the executive director of the county relief office in Chester and Centre counties. The executive directors now meet regularly with the board in the five counties, although in the beginning of the experiment this procedure was followed in Chester and Centre counties only.

The business of the meeting is usually prepared by the executive director on the basis of matters which he or she believes would require board action or discussion. These include a review of the budget request to the State Emergency Relief Board for funds for direct relief and for administration; individual cases presenting special problems and requiring special decisions; cases of restitution of relief grants; cases referred to board members individually by citizens; personnel changes; and routine matters pertaining to office procedure. In Centre and Chester counties, the executive directors submit formal reports to the boards on the work of the county office, case changes, and activities of the staff. In Butler, Carbon, and Cumberland counties this information is reported informally and occasionally to the boards by the executive directors.

### Reviewed Cases Receiving Relief

One of the first activities of the local boards in each of the five counties was to request a current list of all cases receiving relief and the amount of the weekly grants. This list, provided by the executive director, was to be used to indicate the extent of the work of the county office and to answer questions raised by individuals in the community concerning the relief status of individual families. Revised lists are provided to the boards from time to time. The executive directors in each of the five counties report that the grants to individual families have not been increased, decreased, or discontinued as a result of reviewing the lists. Where the amount of the grant was questioned by members of the board, the decisions of the staff were sustained after discussion.

In two counties, moreover, the board members made a still more intensive check-up of the relief clients. For example: every case receiving relief in Cumberland County was immediately reviewed by the board. This required three consecutive board meetings, with each session lasting almost an entire day. Likewise, this board continued to review each new case accepted for relief until early in 1937, when such review was discontinued and only unusual cases requiring determination of policy were reviewed. Just before the Christmas season the board members in Butler County visited a number of families who were thought to need more funds than they were receiving. As a result of their visits, members of the board personally undertook to provide supplementary aid to some of these families for the Christmas season, or used contributions provided for that purpose by friends of the board members. One member of the board also visited nearly 150 families on relief and reported to the board that in his estimation, the staff had performed their investigations adequately, were doing good work, and that

only persons eligible for relief under State regulations were receiving it.

### Office Space

The county boards in four of the five counties have retained their central office at the same address and with the same facilities as had been used under the State Emergency Relief Administration. In Cumberland County, however, the central office could not remain at its former address in rent-free space, and the county board authorized moving to other offices. A further expansion of office space was under consideration in March.

For some time before the local boards became operative, reductions in office space were being made as the work load decreased, and in Chester County where this reduction had not been completed, the local board carried it through to completion. The office arrangements in Butler, Carbon, and Cumberland counties prior to the functioning of the local boards had not been satisfactory for one or more of the following reasons: inadequate waiting room facilities; insufficient space for office use; or inadequate provision for protecting the privacy of clients who are being interviewed. With the increasing number of relief applicants in these counties necessitating increase of personnel, the need for more satisfactory office space has become more urgent.

### Personnel Policies

In the beginning, the local boards retained the same staff which had been functioning in the county prior to the experiment, except to provide for assumption of executive responsibility previously carried by the area executive director.

As data in Table I indicate, the most usual shift was the transfer of the responsibilities of the executive director to the county relief supervisor, who also continued responsibility for supervision of the visiting and interviewing staff, for staff conferences, and for other activities deemed essential to staff competency in the determination of eligibility and the granting of relief. In these shifts, the responsibilities and duties of two important positions were thus combined. Additions to the staff are being made from time to time as the work load increases. No other substitutions or reorganizations of personnel have been undertaken.

These five counties were not required by the State to cut administrative costs, as were all other counties, so that the local county boards could and did approve increases in staff to meet an increasing case load. Additions made to the county relief staffs by the local boards are shown in Table I. Before additions to the staff were made, the number of applications for relief pending investigation had increased in all five counties, and in Carbon County the pending applications equalled the number of cases receiving relief. In Cumberland County, where applications for relief are received by appointment only, the work of the interviewing department was so heavy that it was necessary to book appointments for the application interview at least ten days in the future.

A comparison of the personnel and the cases receiving relief, the applications investigated and accepted, and the applications investigated and rejected--in other words, the total "work load"--is made in Table II for the five counties included in the experiment. Similar data for Armstrong and Bucks counties are presented for comparative purposes. Data on personnel for the other three comparable counties, Huntingdon, Franklin, and Northumberland, are not available, since these counties are parts of a larger



TABLE I

Comparison of Relief Staff, Direct Relief Cases, Persons, and Expenditures  
Before and After Local Boards Were Organized

Counties	Relief staff retained under local board	Additions to relief staff to March 1, 1937	Direct Relief Load and Expenditures			
			Week ending September 24, 1936	Week ending March 13, 1937		
			Cases receiving relief	Persons receiving relief	Cases receiving relief	Persons receiving relief
Butler	Supervisor* Interviewer Four visitors Three clerks	One visitor	391	1,537	570	2,293
						\$4,343.80
Carbon	Supervisor* Interviewer Four visitors Seven clerks	One visitor	223	1,000	696	3,175
						5,284.40
Centre	Supervisor* Interviewer Three visitors Three clerks	Two visitors	311	1,139	456	1,827
						3,293.30
Chester	Supervisor** Interviewer Four visitors Three clerks	Executive director - part time*** One administrative clerk	330	1,293	485	1,868
						3,839.80
Cumberland	Supervisor* Four visitors Two clerks	One interviewer Two visitors Three clerks	285	1,169	552	2,287
						4,010.60

Clarion Appointed local board did not organize for work.

\*Became executive officer for local board.

\*\*Became executive officer after resignation of executive director, February 1, 1937.

\*\*\*Formerly area relief supervisor.



Table II

Comparison of Work Loads\* and Actual Personnel\*\* in Five Counties  
 With Counties of Comparable Case Loads by Months  
 November, 1936, Through February, 1937

State  
Total Butler Armstrong Centre Cumberland Carbon Chester Bucks

Work Load

November 1936-166,414	523	492	429	348	503	470	479
December 1936-176,294	646	1,069	511	425	543	555	593
January 1937-183,897	724	1,436	569	515	595	593	617
February 1937-193,264	742	1,528	597	667	782	657	694

Total Personnel

November 1936 - 2,745	9	15	8	7	13	9½	8
December 1936 - 2,748	10	17	9	9	14	10½	8
January 1937 - 2,807	10	20	10	11½	14	10½	9
February 1937 - 3,021	10	19	10	12½	14	10	11

Visitors and Interviewers

November 1936 - 1,303	5	10	4	4	5	5	4
December 1936 - 1,332	6	10	5	5	6	5	4
January 1937 - 1,371	6	11	6	7	6	5	5
February 1937 - 1,510	6	10	6	7	6	5	6

Work Load Per Worker

November 1936 - 60.6	58.1	32.8	53.6	49.7	38.7	49.5	59.9
December 1936 - 64.2	64.6	62.9	56.8	47.2	38.8	52.9	74.1
January 1937 - 65.5	72.4	71.8	46.9	44.8	42.5	56.5	68.6
February 1937 - 64.0	74.2	80.4	59.7	53.4	55.9	65.7	63.1

Work Load Per Visitor and Interviewer

November 1936 - 127.7	104.6	49.2	107.2	87.0	100.6	94.0	119.7
December 1936 - 132.3	107.6	106.9	102.2	85.0	90.5	111.0	148.2
January 1937 - 134.1	120.6	130.5	78.2	73.6	99.2	118.6	123.4
February 1937 - 127.9	123.6	152.8	99.5	95.3	130.3	131.4	115.6

\* "Work Load" equals the total of (1) number of cases on relief as of close of previous month (2) total number of cases opened during month and (3) total number of applications rejected during month.

\*\* End of month payroll.

Complete personnel data not available for three comparable counties, Huntingdon, Franklin and Northumberland, since they are parts of larger administrative units, and administrative, statistical and certain clerical services for the counties within the unit are centralized in the area office.

administrative unit of the State Emergency Relief Board, in which some administrative, statistical, and clerical services are provided for the entire unit and cannot be allocated to individual counties comprising it.

Despite the absence of legislative restrictions as to administrative costs in the five autonomous counties, the figures on personnel in Table II indicate that these counties have conformed, in general, with the rest of the State in the matter of keeping personnel at a low level. Thus, during the months of November, 1936, to February, 1937 inclusive, Butler, Carbon and Chester counties added only one worker each to the relief staff; Cumberland added six, and Centre added two. Of the two comparable counties for which data are available, Armstrong added four workers to the staff during this same period, and Bucks added three workers. The work load per worker in February, 1937, is higher in each of these seven counties than in November, 1936.

Other statistical data (not presented here) relating to personnel, cases reinvestigated and cases closed by reinvestigation, show the same trends in the five autonomous counties as in the five comparable counties. Special local conditions, such as strikes, account for particular instances of variation from the general trend.

When the local boards first began to function, all salaries were paid at the same rate which had been allowed under state regulations, and no salary increase to relief supervisors followed the assignment to them of executive responsibilities. Recently, however, there have been a number of increases in salaries, based on length of service, change of rating, or similar reasons, but all increases have been in accordance with those permissible under state procedures, except in Butler County, where a blanket increase of five dollars a month was made for each staff member.

State regulations concerning payment of mileage to visitors using their own automobiles were reviewed by the board in Centre County, and as a result a more flexible plan has been adopted.

#### Administrative Costs

On the subject of administrative costs, the main question to be answered is: Does local autonomy of administration tend to increase or decrease administrative costs? The conditions of this experiment make it impossible to answer this question with any degree of conclusiveness because: (1) the counties selected for comparison with the autonomous counties were subject to legislative restrictions compelling arbitrary reductions in administrative costs throughout the State, while the five counties in the experiment were exempt from these restrictions; and (2) the counties selected for comparison of other statistical data are parts of larger administrative units except in only Armstrong and Bucks Counties. Because of these facts data for only seven counties instead of ten is provided in Table III, in which a comparison is made of expenditures for direct relief and for administration.

The figures show that the reduction in the ratio of administrative to total costs for relief and administration in Armstrong and Bucks Counties was greater than in Butler or Chester Counties where the experiment was in operation. There were, however, progressive reductions in all these four counties, notwithstanding the fact that Butler and Chester were not subject to legislative restrictions. Of the other three counties in the experiment for which figures for comparable counties are not available, Carbon County showed a progressive reduction in the percentage of administrative expenditures, Cumberland County remained about the same, and Centre County showed a slight increase each month.

TABLE III

## Comparison of Expenditures for Direct Relief and for Administration in the Five Autonomous Counties and in Five Comparable Counties

Months and years	Autonomous counties				Comparable counties			
	Average Direct relief case load		Administrative expenditures		Average Direct relief case load		Administrative expenditures	
	1936	1937	1936	1937	1936	1937	1936	1937
November	411	571	\$12,262.38	\$1,075.66	292	\$8,251.84	\$1,308.80	\$9,560.64
December	480		16,615.60	1,305.37	603	21,653.18	2,350.84	24,014.02
January			18,529.32	1,263.55	998	39,452.88	2,592.13	42,045.01
<b>Butler County</b>								
November	278		8,135.22	1,374.81	307	9,942.42	1,244.73	11,187.15
December	314		10,455.54	1,502.63	346	12,788.90	1,196.18	13,985.08
January	357		11,199.84	1,476.84	410	14,310.68	1,234.23	15,544.91
<b>Chester County</b>								
November	261		6,851.84	1,616.91	2,335	56,324.98	*	*
December	282		8,999.06	1,660.71	2,074	61,266.58	*	*
January	326		10,268.10	1,736.71	2,172	61,215.64	*	*
<b>Carbon County</b>								
November	295		8,571.82	921.46	153	3,810.58	*	*
December	301		10,131.94	1,163.24	156	4,502.40	*	*
January	306		9,293.84	1,163.11	187	5,289.22	*	*
<b>Centre County</b>								
November	214		6,026.56	751.92	126	3,913.90	*	*
December	257		8,305.82	1,114.63	187	6,237.80	*	*
January	354		10,461.62	1,326.16	293	8,693.10	*	*
<b>Cumberland County</b>								
November	214		6,026.56	751.92	126	3,913.90	*	*
December	257		8,305.82	1,114.63	187	6,237.80	*	*
January	354		10,461.62	1,326.16	293	8,693.10	*	*
<b>Franklin County</b>								
November	214		6,026.56	751.92	126	3,913.90	*	*
December	257		8,305.82	1,114.63	187	6,237.80	*	*
January	354		10,461.62	1,326.16	293	8,693.10	*	*
<b>Huntingdon County</b>								
November	214		6,026.56	751.92	126	3,913.90	*	*
December	257		8,305.82	1,114.63	187	6,237.80	*	*
January	354		10,461.62	1,326.16	293	8,693.10	*	*
<b>Northumberland County</b>								
November	214		6,026.56	751.92	126	3,913.90	*	*
December	257		8,305.82	1,114.63	187	6,237.80	*	*
January	354		10,461.62	1,326.16	293	8,693.10	*	*

\*Data on administrative expenditures are not available for these three counties, since they are parts of larger administrative units, and such data are reported only for the unit as a whole.

TABLE IV  
Expenditures for Direct Relief, January 1936 to February 1937

Counties	1 9 3 6						
	January	February	March	April	May	June	July
Total all counties in Pennsylvania	\$7,429,860.30	\$6,073,294.83	\$6,266,346.98	\$5,723,397.75	\$5,301,487.87	\$5,415,833.15	\$5,497,412.43
Butler	28,559.55	23,885.06	22,571.52	24,841.19	25,814.78	23,583.69	23,226.21
Armstrong	27,657.75	22,277.97	25,132.87	19,192.90	22,167.51	24,588.34	21,031.13
Carbon	16,950.35	15,840.15	15,964.37	19,001.40	18,296.25	13,784.80	11,639.84
Northumberland	88,719.97	80,342.97	84,559.76	91,468.03	86,865.96	103,550.13	108,420.05
Centre	19,463.80	14,422.58	13,747.83	12,209.54	11,514.12	11,372.08	10,029.63
Huntingdon	11,832.36	9,254.06	11,742.84	9,654.04	7,413.89	10,857.75	10,405.22
Chester	36,118.86	39,286.90	41,572.17	32,469.48	21,681.69	17,643.05	15,706.80
Bucks	42,982.53	31,608.57	28,446.97	22,162.06	17,213.05	15,150.53	13,316.91
Cumberland	16,883.01	18,073.72	19,335.06	15,756.16	11,439.31	12,171.00	10,281.74
Franklin	14,306.04	14,602.08	16,380.30	14,963.43	12,263.73	10,949.95	9,635.69
1 9 3 7							
Counties	1 9 3 6						
	August	September	October	November	December	January	February
Total all counties in Pennsylvania	\$4,665,374.96	\$4,450,908.53	\$4,183,206.66	\$3,922,224.14	\$4,514,367.38	\$4,562,249.02	\$4,694,258.00
Butler	16,369.67	10,961.34	11,089.89	12,262.38	16,615.60	18,529.32	18,572.30
Armstrong	15,582.49	12,595.08	8,376.06	8,251.84	21,663.18	39,452.88	22,489.40
Carbon	12,231.03	11,165.17	10,419.07	6,851.84	8,999.06	10,268.10	14,468.50
Northumberland	65,952.25	63,689.36	52,171.89	56,324.98	61,266.59	61,215.64	68,703.30
Centre	9,274.10	7,507.94	7,822.33	8,571.82	10,131.94	9,293.84	11,267.70
Huntingdon	8,397.88	5,450.46	5,373.50	3,810.58	4,502.40	5,289.22	6,425.80
Chester	13,422.27	9,781.45	10,491.77	8,135.22	10,455.54	11,199.84	14,307.10
Bucks	13,456.77	11,963.76	9,276.31	9,942.42	12,788.90	14,310.68	17,307.10
Cumberland	9,047.58	7,159.99	6,850.80	6,026.56	8,305.82	10,461.62	14,233.80
Franklin	7,888.33	6,025.37	4,075.35	3,913.90	6,237.80	8,693.10	11,441.10

TABLE V

Average Number of Cases Receiving Direct Relief by Months  
January 1936 Through February 1937

Counties	1936						Months during 1937							
	January	February	March	April	May	June	July	August	September	October	November	December	January	February
Total all counties in state	216,618	206,728	195,661	180,398	175,848	173,553	170,703	159,792	147,778	140,149	134,598	138,062	149,912	160,234
Butler	878	854	749	854	918	816	757	648	414	388	411	480	571	592
Armstrong	901	934	773	720	824	858	722	579	483	333	292	603	998	730
Carbon	553	481	470	532	568	405	338	346	302	277	261	282	326	455
Northumber-land	2,627	2,675	2,707	2,901	2,896	3,175	3,256	2,600	2,350	2,310	2,335	2,074	2,172	2,474
Centre	644	598	511	484	448	429	381	371	319	277	295	301	306	392
Huntingdon	434	412	486	392	301	379	348	337	246	205	153	156	187	222
Chester	1,117	1,347	1,404	1,157	817	656	571	513	388	327	278	314	357	457
Bucks	1,088	1,002	937	773	635	548	461	463	393	286	307	346	410	511
Cumberland	604	693	746	628	485	471	385	354	294	253	214	267	354	503
Franklin	551	620	631	595	501	419	344	285	225	140	126	187	293	409



TABLE VI

Average Number of Persons Receiving Direct Relief By Months  
January, 1936 Through February, 1937

Counties	1 9 3 6												1 9 3 7		
	January	February	March	April	May	June	July	August	September	October	November	December			
Total all counties in State	735,201	696,577	650,838	610,350	592,795	571,235	556,045	513,177	463,993	429,962	407,161	417,235	455,713	492,277	
<u>Butler</u>	3,520	3,485	2,994	3,399	3,546	3,148	2,883	2,412	1,626	1,517	1,626	1,871	2,210	2,397	
<u>Armstrong</u>	3,537	3,664	2,975	2,761	3,193	3,356	2,741	2,173	1,660	1,310	1,183	2,726	4,455	3,038	
<u>Centre</u>	2,822	2,616	2,192	2,041	1,804	1,667	1,464	1,433	1,185	1,070	1,260	1,280	1,266	1,597	
<u>Huntingdon</u>	1,669	1,471	1,731	1,411	1,117	1,484	1,347	1,341	928	762	534	550	675	864	
<u>Cumberland</u>	2,512	2,836	2,991	2,480	1,859	1,906	1,573	1,452	1,195	1,014	864	1,076	1,438	2,018	
<u>Franklin</u>	2,156	2,512	2,523	2,382	2,032	1,721	1,415	1,181	939	614	582	843	1,259	1,757	
<u>Chester</u>	4,547	5,449	5,578	4,556	3,136	2,491	2,158	1,952	1,470	1,236	1,013	1,145	1,316	1,723	
<u>Bucks</u>	4,621	4,117	3,673	2,933	2,319	2,004	1,645	1,806	1,494	1,058	1,148	1,322	1,594	2,007	
<u>Carbon</u>	2,295	1,939	1,890	2,406	2,614	1,778	1,542	1,647	1,423	1,255	1,079	1,037	1,192	1,867	
<u>Northumberland</u>	10,918	10,017	10,032	11,086	11,177	11,893	12,142	9,359	8,136	7,898	7,980	6,928	7,160	8,340	

TABLE VII

Average Weekly Expenditures Per Case, By Months  
January, 1936 Through February, 1937

Counties	1936												1937		
	January	February	March	April	May	June	July	August	September	October	November	December	January	February	February
Total all counties in State	\$7.46	\$7.35	\$7.32	\$7.23	\$7.18	\$7.09	\$7.00	\$6.95	\$6.85	\$6.78	\$6.94	\$7.11	\$7.25	\$7.33	
Butler	7.07	6.99	6.85	6.61	6.70	6.60	6.67	6.01	6.02	6.50	7.10	7.53	7.73	7.84	
Armstrong	6.67	5.96	7.39	6.06	6.40	6.51	6.33	6.41	5.93	5.72	6.73	7.81	9.41	7.70	
Centre	6.57	6.03	6.11	5.73	6.12	6.02	5.72	5.95	5.35	6.42	6.92	7.32	7.23	7.19	
Huntingdon	5.93	5.62	5.49	5.60	5.86	6.51	6.50	5.93	5.04	5.96	5.93	6.27	6.73	7.24	
Cumberland	6.08	6.52	5.89	5.70	5.62	5.87	5.81	6.09	5.53	6.15	6.70	6.76	7.04	7.08	
Franklin	5.64	5.89	5.90	5.72	5.83	5.94	6.09	6.59	6.09	6.62	7.40	7.25	7.06	6.99	
Chester	7.03	7.29	6.73	6.38	6.32	6.11	5.98	6.23	5.73	7.29	6.97	7.24	7.47	7.83	
Bucks	8.59	7.89	6.90	6.52	6.45	6.28	6.28	6.92	6.92	7.37	7.71	8.03	8.31	8.47	
Carbon	6.66	8.23	7.72	8.12	7.67	7.74	7.49	8.42	8.40	8.95	6.25	6.94	7.50	7.95	
Northumberland	7.34	7.51	7.10	7.17	7.14	7.41	7.24	6.04	6.16	5.13	5.74	6.42	6.71	6.94	

TABLE VIII

Per cent of Applications Rejected

		1936												1937	
		March	April	May	June	July	August	September	October	November	December			January	February
Pennsylvania		36.6	33.6	36.5	36.1	39.0	38.2	41.2	43.9	39.3	35.9			36.8	40.3
Butler		34.9	20.3	43.1	32.8	30.3	33.3	25.5	31.0	18.5	25.0			38.7	23.1
Armstrong		53.0	44.4	41.5	50.2	53.4	39.8	66.2	52.8	24.7	24.2			35.0	43.2
Centre		53.9	64.6	45.1	46.4	33.1	33.3	33.6	45.8	51.8	57.4			40.3	42.6
Huntingdon		49.5	62.5	25.1	88.7	47.5	34.1	51.7	51.4	78.5	71.8			76.0	69.4
Cumberland		46.6	41.5	33.7	55.5	53.2	46.8	54.5	60.7	37.6	34.4			29.2	35.7
Franklin		45.3	39.7	61.2	49.7	52.0	53.0	67.3	84.5	54.5	43.1			35.2	37.5
Chester		44.6	48.2	29.7	41.3	43.3	59.9	57.1	70.6	44.6	53.2			50.8	40.7
Bucks		39.9	33.8	40.5	52.2	42.3	49.5	52.4	48.5	46.0	54.3			44.9	47.7
Carbon		58.0	54.2	58.2	83.7	67.6	72.2	73.3	70.3	54.1	57.4			66.1	38.6
Northumberland		25.5	35.4	26.4	41.5	45.1	42.0	37.4	47.9	38.2	31.6			26.9	25.8

TABLE IX

Comparison of Cases Opened and Cases Closed Between Five Autonomous Counties and Five Comparable Counties  
From September 26, 1936 to March 13, 1937

County	Loss of private employment		Loss of WPA employment		Other		Private employment		WPA employment		Other			
	Total	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent		
All counties in Pennsylvania	133,901	75.536	56.4	44,230	33.0	14,135	10.6	117,658	48,242	41.0	46,559	39.6	22,857	19.4
Butler	688	508	73.8	138	20.1	42	6.1	511	233	45.6	195	38.2	83	16.2
Armstrong	1,590	1,203	75.7	327	20.6	60	3.8	1,559	980	62.9	459	29.4	120	7.7
Carbon	1,027	763	74.3	135	13.1	129	12.6	636	360	56.6	231	36.3	45	7.1
Northumberland	2,345	1,613	68.8	497	21.2	235	10.0	1,957	635	32.4	850	43.4	472	24.1
Centre	638	386	60.5	205	32.1	47	7.4	497	140	28.2	298	60.0	59	11.9
Huntingdon	319	256	80.3	51	16.0	12	3.8	331	150	45.3	148	44.7	33	10.0
Chester	683	508	74.4	130	19.0	45	6.6	549	198	36.1	270	49.2	81	14.8
Bucks	702	517	73.6	147	20.9	38	5.4	564	204	36.2	290	51.4	70	12.4
Cumberland	661	468	70.8	149	22.5	44	6.7	410	164	40.0	200	48.8	46	11.2
Franklin	521	400	76.8	91	17.5	30	5.8	328	140	42.7	149	45.4	39	11.9

## Eligibility for Relief and Adequacy of Grants

Generally speaking, the State regulations and procedures concerning eligibility for relief and relief grants have been followed in the five counties, with only minor changes. This continuity of policy is reflected in the data presented in Tables IV to IX inclusive.

A comparison of the figures on relief cases, case changes, applications and relief expenditures in the five autonomous counties and in the comparable counties shows no significant differences for the five autonomous counties. Such differences as are shown arise from special local conditions, such as seasonal employment, strikes, etc., and are in no way connected with the change from State to local administration of relief.

The use of State Emergency Relief Administration schedules to determine and to report the amount of the relief grants has been continued in the five counties, and cash relief, which was instituted on a State-wide basis immediately prior to the time when most of these local boards became effective, has also been continued in the five counties.

The medical relief program of the State Emergency Relief Administration was discontinued throughout the State at about the time when the local boards were organizing for work. The local boards have the authority to make any adjustments in program as desired, so that the inclusion of medical care to client families lies within the authority of the boards, and several of them have discussed the possibility of including an amount for medical care in their relief budget. Such a plan has not been inaugurated in any one of these counties. In Cumberland County, however, the board did decide to provide an allowance for medical care for specific cases in need of such care, either by increasing some of the budgeted amounts required for other items, or by deducting less of earned income as the basis of the relief grant. This is, in effect, a means of providing some funds for medical care, without including this care for all cases needing it, or without requesting that an amount be granted by the State Emergency Relief Administration for a medical care program.

State policy concerning supplementary relief, relief to non-resident unemployed, and adjustments for earned income, have been modified slightly by three county boards. For example: The board in Chester County has decided to provide relief on an individual case basis to supplement earnings from full-time employment in private industry where the earnings are insufficient for the budgeted needs of the family; the board in Carbon County permits relief to be granted as a supplementation to wages on Federal Works Programs, where the wages are below the amount which the family would have received on direct relief. (This policy was recommended by the Review Committee in Carbon County and was known to be a policy which the State administration was discussing and which was of interest to many areas of the State). The board in Cumberland County recently has formulated a policy which provides for an adjustment of the relief budget to a smaller deduction of earned income, to allow a client family in which there is an employed worker to receive an additional amount (dependent upon the size of the budget) for the purchase of needed articles which are not included as a part of the regular relief budget.

Another modification of State policy has been made by the board in Chester County, which decided to provide relief to persons eligible for unemployment relief and who are residents of Pennsylvania, but not of Chester County, if the county of residence requests the board in Chester County to provide relief. This decision was made after it was found impossible to make a satisfactory arrangement with the Chester County directors of the poor to provide relief to such non-residents.



A somewhat different decision was made by the local board in Cumberland County concerning the employment of wage earners on relief. Soon after the board in this county began to operate, it stated that any client applying for relief would be expected to take any job for which he was physically fit, at any wage offered. The executive director reports that in practice there has been little or no occasion to follow this policy.

Other minor variations in State procedure have also been made in the interests of efficiency or speed in handling the situations in the counties. For example, the board in Chester County shortened the process in restitution procedures, decided to continue cases on the active list for 21 days after assignment to the Works Program instead of closing the case immediately after assignment, and discontinued the Industrial Contact Department (which had secured information on employment and wages of relief clients and applicants), transferring that department's activities to the staff visitors.

#### Community Reactions to the Experiment

When the experiment was initiated the local newspapers in the counties carried short items about it, indicating how it was to be set up and giving the names of the local board members. Since then very little publicity has been given to the experiment in any one of the five counties. The board in Centre County has occasionally sent short releases on the work of the board to the newspapers, and in Cumberland County, the chairman of the board issued two extensive statements, but in no county has there been a systematic, planned program of interpretation of the work through the local newspapers.

In three counties, the boards have met with other community agencies or groups in order to interpret the program of unemployment relief under local administration. In Chester County, for example, the board soon after it organized for work, held a joint meeting with the County Commissioners and the directors of the local poor board, at which some of their common problems were discussed. In Carbon County, a committee of the Workers' Alliance meets regularly with the executive director, and the board also has met with this committee and discussed some of its recommendations and complaints. In Cumberland County the board has discussed the possibility of sponsoring a meeting of representatives from all the local social agencies with the view of establishing a council of social agencies for Cumberland County.

After the county boards had been in operation for some time, a number of representative citizens in each county were interviewed in an effort to determine the community reaction to the new set-up.

As a result of the continuity of organization, personnel, and standards previously stated, executives and staff members of other social agencies, both public and private, generally agreed that there had been no change in their working relations with the county relief office under the new administration. The opinion was uniformly expressed by this group that local participation in unemployment relief administration allows greater flexibility and should make for greater local interest in the program.

In the main, it was reported that among the client group there has been little or no reaction to the change in administration. Apart from individual instances in which a Board member has been approached by a client for consideration of his case, the executive directors and staff members do not think that their clients are much aware of the change in administration.

Other persons in the community who were interviewed stated that the community was little aware of the fact that a new Board was functioning in the county, and that there was little active interest in or knowledge of the

work of the board. Usually this situation was ascribed to the fact that the boards have introduced no far-reaching innovations in policy or procedure, so that as far as the community at large is concerned, the administration of unemployment relief has continued without radical change. A few people interviewed in each county felt certain that relief was being administered well, basing their belief on the fact that they knew the board members to be sincere and capable men and women. There was general agreement that local responsibility in administration is desirable, the basis for this opinion being the belief that local people can know the local situation better than outsiders. It was felt by some of these persons that this local background is essential, particularly in relief administration, since it can insure a personal knowledge of families on relief, which can be brought to bear in making decisions as to who should receive relief and how much relief should be given in individual cases. Usually the opinion was expressed that along with local administration, there must be a State central office from which would come basic policies to insure the necessary degree of uniformity and coordination of relief throughout the State.

When the matter of the community reaction to the experiment was discussed with the board members, they cited instances of being approached by local people with questions about the relief program or more usually with information about individual families on relief. The members of the boards stated that these people would not have felt or expressed this interest, except for the fact that there are now local people in the county responsible for the administration. Apart from these examples, however, the board members generally stated that there is no general active interest in their work, although they believed that local desire for local participation in the administration of relief is widespread.

### Summary and Conclusions

Two general conclusions must be drawn from the study of this experiment:

First, despite the unlimited freedom allowed to the especially constituted boards in these counties, no drastic change in policy or method of administration was found by them advisable or necessary.

Second, it appears, nevertheless, that in these communities there is somewhat increased confidence in relief administration as a whole, based on public confidence in the local citizens to whom opportunity and responsibility had been given for close scrutiny of administrative policy and action.

In other words, the experiment seems to have justified itself both positively and negatively. It apparently tended to show that larger local participation in relief administration may strengthen the relationships between the relief administration and the community. On the other hand, it appears to have disposed rather completely of the contention that complete home rule would rapidly reduce the relief problem, or that State-wide standards, policies, and supervision tend to perpetuate or increase the problem.

### Relief Policies

With respect to policies of relief administration, the following facts are apparent from the study:

(1) There were no drastic changes or reductions of staff. The new local boards came to a clear recognition of the necessity of maintaining an adequate staff of competent workers. The same workers were retained, and in every county additional ones were employed, most of whom had formerly been connected with the administration. The employees recruited in the past by the State relief administration appear to have won the confidence of the new board members.

(2) Expenditures were not decreased more rapidly in these counties than in other parts of the State. The ratio of so-called administrative costs to total costs did not deviate substantially from similar ratios in other comparable communities.

(3) Case loads in these counties followed practically the same curve as for the rest of the State and for similar counties in their neighborhood. There was no notable change in this respect under the new regime.

(4) Standards of eligibility for relief, and standards of relief itself, were not altered in any substantial degree. The local boards apparently found little evidence of widespread "chiseling", and there are indications that the new board members, faced with actual individual needs, came to feel that relief grants should be somewhat greater and should be available under a somewhat wider range of circumstances.

### State Functions

With respect to the role of the State in relief administration, the evidence is voluminous that local board members found State services not only helpful, but important. State disbursing offices were used by all the boards; State reporting forms and procedures were employed; State standards were followed, and in a number of counties State field service was requested, though none of these things were required or even urged by the State authorities. A number of the boards, in their written reports, express recognition of the value of this State standardization and coordination.

### Public Relations

With respect to local cooperation and interpretation of the relief program, while there are indications that the mere existence of genuine local boards, with real responsibilities, strengthened local confidence and cooperation, there is also evidence that most of these local communities still lack any deep interest or even general understanding in regard to the relief program. This experiment did not add greatly to this interest or understanding, though two boards did attempt to develop more definite and effective relationships with other local public and private agencies. No systematic public relations programs have been undertaken.

### Functions and Relationships of Local Boards

At a number of points the operations of the local boards have disclosed the need for a much clearer definition of the functions of such boards, their relation to the State relief administration, to local executive and staff, to clients of the agency, and to the community. While it was inevitable, under all the circumstances, that these boards should assume unusually large and direct administrative responsibility, dangerous ground was touched in a number of situations.

(1) In the early weeks of the experiment, board members inevitably became interested in individual cases, either in the natural desire to review the whole list, or to respond to specific inquiries or criticisms. This interest extended at times to home visitation and to the regular transcription of current rolls for the use of individual board members. Later most of the boards confined themselves, in consideration of individual cases, to doubtful or difficult problems faced by the staff in applying the board's policies.

This development is in line with administrative practice elsewhere in the State, and focuses the board's attention upon its primary function of forming policies and scrutinizing administrative operations, rather than direct administrative action. Local boards usually find that general oversight of a heavy relief task is so time-consuming as to prevent them from



passing routinely upon every grant. Regular application of the board's policies to individual cases is left to administrators and workers, whose full reports are, of course, subject to careful study by the board as to their compliance with established policies. This procedure appears to assure adequate control of funds and operations, while avoiding possible unintentional and sometimes unjust discrimination, which may follow where the detailed affairs of some individual clients, but not of others, are known to individual board members.

(2) The responsibility of board members to other members of the community, in regard to treatment of individual case problems, is another delicate matter which needs to be clarified in State standards and instructions. The use of "review committees" for consideration and decision of individual cases of "work refusal" has proved useful in the judgment of some of these county boards and might be applied to other specific complaints. Other boards have taken over all these review functions themselves.

Under either plan, it is clear, a regular routine procedure, for objective and impersonal judgment, formally recorded and reported to those directly concerned, and to no one else, is required. Other procedures sometimes threaten to violate the privacy or confidence of clients, or to give inadequate and diverse interpretations of board policy or administrative action.

(3) In internal organization, clarification in the functions of county executive and of case supervisor, through State standards, seems desirable and necessary in the light of this experiment. In all five of these counties, by reason of the separation of the county unit from the area unit, or because of resignations, the case supervisor became county executive as well, without being relieved of any part of the supervisory duties. Although in these particular cases there has been no diminution of loyalty or energy, both executive leadership and case work supervision have probably suffered in consequence. Educational and supervisory guidance of the staff, for the interpretation and application of sound policies in relation to individual case problems, is probably recognized by all these boards as an indispensable part of economical and effective administration. But this takes time, skill, and freedom from distraction, and it is difficult to combine this function with those of the executive, which include the management of office administration and of relationships with boards and with representatives of the community. Classification and standardization of these staff functions, under State guidance, would ease the path of board, staff, clients, and members of the community who have proper relations with any of these groups.

### State and Local Partnership

One of the striking outcomes of the experiment is the demonstration that a State-local partnership in public assistance and relief is practicable and desirable. It is clear, in the first place, that it is possible to enlist the unselfish, intelligent, and diligent services of representative citizens of the local community in the conduct of these important functions without any promise of financial rewards. While special conditions frustrated the organization of a board within the time allowed in one of the chosen counties, and while special misfortunes depleted the board membership in another, the thoughtful and devoted efforts of those committed to this task in all the counties have again proved that this kind of responsible public service commands the interest of able citizens. In no single instance, is there evidence of the slightest intrusion of partisan political activity. The boards were united in spirit and determined to perform their duties only in the public interest.

The value of State participation, both financial and administrative, is also clearly recognized by these boards and demonstrated in their records. It is a special satisfaction to the Pennsylvania Committee on Public Assistance and Relief, that two of the boards, as a result of their experience, voluntarily and explicitly declare that the program of this Committee, in its essentials, seems to them sound and practical.



SUPPLEMENT A

Statement of State Emergency Relief Administrator on

ESSENTIAL REQUIREMENTS OF

COUNTY RELIEF ADMINISTRATION

(September 24, 1936)

The State Emergency Relief Board will delegate to each board in the six counties selected, full authority in the administration of relief subject only to the following stipulations:

1. The Local Board will be expected to familiarize itself with the requirements of the various acts of the Legislature relating to the administration of relief and to be governed by the regulations contained therein.

The following Acts of the Legislature apply to all local agencies administering Emergency Relief:

a. "An Act creating the State Emergency Relief Board, consisting of the Governor, the Lieutenant Governor, the Auditor General, State Treasurer, and the Speaker of the House of Representatives; prescribing its powers and duties; empowering the Governor to disburse moneys received from the Federal Government for the relief of the unemployed, in accordance with plans adopted by the board; and making an appropriation."  
Approved: 8-19-32.

b. "An Act making an appropriation to the State Emergency Relief Board for direct relief, work relief, and expenses; defining the purposes for which such moneys may be expended; prescribing the powers and duties of the State Emergency Relief Board and certain State departments; prohibiting political activity by employes of the State Emergency Relief Board; and prescribing penalties."  
Approved: 8-7-36.

c. "An Act requiring banks trust companies bank and trust companies private bankers and building and loan associations to disclose the amount of deposits and investments of persons applying for or receiving unemployment relief under certain circumstances."  
Approved: 4-18-35.

d. "An Act requiring persons applying for or receiving relief to furnish under affidavit certain information and to sign a bond conditioned on the truthfulness of his statements and the lack of fraud or misrepresentation empowering certain persons to administer oaths and prescribing penalties."  
Approved: 5-29-35.

2. The Federal government has delegated to the State Emergency Relief Board certain functions in connection with its various programs.

The relief boards in the counties included in the experiment will be required to act as local agents for the State Emergency Relief Board in carrying out the responsibilities delegated to them by the State Emergency Relief Board as agent for the Federal government. These functions are as follows:

a. The Emergency Relief Board is the official agency for certifying employable persons in the Employment Office (National Reemployment Service or State Employment Office) for referral to works projects under the Federal Works Program, and to the Works Progress Administration.

Certifications and changes in certification status are made on regulations federal forms FERA Forms 600, 601 and 602.

b. In order to make himself available for referral under the works program, every employable person in a relief household must register at the local Employment Office.

It is the responsibility of the Emergency Relief Board as certifying agent for the Federal Government to see that every certified employable person in a relief household registers at the Employment Office.

c. The State Emergency Relief Board has been designated by the U. S. Department of Labor as the selecting agency for enrollees for C.C.C. Camps, and in turn designates Local Emergency Relief Administrations as local selecting agencies.

The Local Board is responsible for selecting from relief rolls persons eligible for enrollment, and under federal regulations, for the maintenance of the pending file of applications and for notifying selectees to present themselves for examination at the designated acceptance station.

d. The Local Board will be responsible for decisions about restitution, and for the carrying out of those decisions. Restitution involves the question of collecting, from individuals, money which they have received as relief on the basis of fraudulent and incorrect statements.

Where claims are being currently collected, the Local Board will be responsible for determining whether or not these claims are valid. If they find these claims to be valid, they will be responsible for continuing the collection.

3. The State Emergency Relief Board will make allocations to each of the six counties "on the basis of need and payments shall be made under such system of requisitioning and accounting as the Governor, Auditor General and State Treasurer shall determine", as specified in the appropriation Act.

4. The Local Boards will report each week to the State Emergency Relief Board the number of families and the number of individuals receiving relief, and the total amount of relief, together with such other data as may be required in order that the Board may determine the allocations to be made each month to each county.

5. The accounts of the Local Boards will be subject to examination by the State Emergency Relief Board, and to audit by the Auditor General.

6. The Local Board will make available to the Commission on Relief and Assistance any data required by the Commission in its observation of the experiment and for inclusion in its report to the Governor.

7. The State Emergency Relief Board, through its Executive Director has developed a system of administration. This procedure is available for review by the Local Board, which may, at its discretion, adopt any portion of it.

The services of the Disbursing Unit will be made available to the Local Board only if the disbursing system is adopted in toto, including the SERB Forms and budget schedule.

When the Local Board is ready to function, it will present to the State Emergency Relief Board its plan of/and regulations governing administration for approval by the State Emergency Relief Board, in accordance with Section 3 of the appropriation Act, approved 8-7-36.

In presenting its plan of operation, the Local Board will indicate to the State Board the date on which it desires to take over responsibility for the work in its County.

8. The county office, with records complete, will be made available for use by the County Board. Should the board wish to eliminate the use of any portion of the records, such records will be turned back to the State Emergency Relief Administration for disposition. Should the board wish to retain the case records of active cases only, records of inactive cases will be turned back to the area office for storage unless and until requisitioned by the County Board in case of re-application.

SUPPLEMENT B

Reports of Boards of Several Counties, on  
Conduct and Results of Experiment in Local  
Administration of Relief

Letter addressed to Chairman of Each  
Board by Secretary of Pennsylvania Committee on  
Public Assistance and Relief, February 11, 1937

Dear Mr. \_\_\_\_\_:

I am writing to request your kind cooperation and that of your Board and Staff, in compiling a satisfactory report of the experiment in which you are participating at the request of the Governor and the State Emergency Relief Board, in the completely autonomous local control of emergency relief.

When this experiment was undertaken, this Committee was assigned the responsibility of observing and studying the progress and results of the experiment and of reporting upon it to the Governor and the State Emergency Relief Board within a few months. As you know, Miss Dorothy Friedland has been making this study in our behalf, and we appreciate your very kind cooperation with her in making available all pertinent information. We are anxious, also, to have the benefit of a definite record of the experience and the judgment of your Board as to the results of your experiment up to this time. May we ask, therefore, if your Board will be willing to give us within the next two or three weeks, a written report to supplement the statistical information and observations which Miss Friedland has been able to gather.

We would be pleased to know, for instance, the procedures by which your Board first entered on its tasks in becoming familiar with the existing organization and problems and practices. Did you evaluate for your own information the work that was then being done and, if so, what was your conclusion about it? What matters first claimed your attention as requiring change, and what specific changes of policy or procedures did you initiate? Upon what basis or for what reasons were the specific changes made? Has your experience justified these specific changes, and, if so, can you indicate what is the basis of your judgment?

We would also be exceedingly interested to know what the reaction of the community (individuals, organizations, or organized groups) has been to this experiment and to the changes you have made in policy and procedure. Has your board made any special effort to interpret its plans or its changes of policy to the community?

In the light of your experience, if your Board were set up as a permanent body with all of its present powers, what further changes would you regard as necessary or desirable, either in organization, or policy, or procedure?

If you will be kind enough to give us such a statement of your impressions and the value of your experiment, we shall be glad to submit it without change to the State authorities and to the Legislature, accompanied by a summary interpretation in the light of our own investigation. I am sure you will realize the value of this record of your experience, and I trust you will not find it too difficult or burdensome a task to undertake.

Very sincerely yours,

Kenneth L. M. Pray  
Secretary



## Report of Butler County Board

Submitted March 31, 1937

This Board of four members was appointed by the proper authorities in Harrisburg and assumed office on November 1, 1936. Previous to this date we held an organization meeting and decided very definitely upon three points, viz., that no politics would enter into our work in any way; that no personal feelings would be permitted to influence our decisions; and that our administration would be guided solely by common sense, good business judgment, and the application of humanitarian principles for all parties concerned.

Due to the fact that our term of office was comparatively short, we deemed it inadvisable to make any changes in the personnel of the working staff since they were trained in the details of relief administration, and our decision in this matter has been justified in every respect.

Our case load has been variable since the City of Butler is largely of an industrial nature, and the fluctuation of employment has naturally influenced the relief situation. However, we have been fortunate in establishing a very good contact with the Employment Departments of the various industries, so that we are able to know almost immediately of re-employment and thus relieve our relief rolls at the earliest available moment.

Since a Local Board such as ours is quite familiar with the nature and background of the applicants for relief, we have made it a rule to study individual cases where there is any doubt whatsoever as to the eligibility of the applicant. As in all Counties, we have our share of so-called "chiselers" and professional relief seekers, and it is this class that we have sought to eliminate, and this has been done, we believe, in an effectual manner.

No worthy or needy applicant has been, or will be, refused assistance, and conversely, not one cent of the State's money will be expended where it is unnecessary. Pertinent to this statement, we might say that we have had a number of applications for relief from persons who own property, or have assets which are more or less hidden. Believing that the relief situation, as its name implies, is an emergency proposition, we have made an individual study of each case, and have tried to have the applicant realize what he can on any of his assets before putting the whole burden on the Commonwealth. This, of course, has been worked out so that no direct or immediate hardship will be felt.

Our Board meets regularly each week and is subject to call at any time. As a matter of fact, the members spend considerable time in the work. We have not attempted to go into any statistical data as regards Butler County, as you receive these figures at regular intervals from the proper Departments, but we simply wish to show in a general way our manner of procedure.

As to recommendations for the future, we have nothing specific to offer. However, from our contacts with the people of Butler County, we as a Board, are unit in stating that it is the general feeling that a Local Board for administering relief is the logical and sound solution of this problem. A local administration cannot help but eliminate red tape and over-lapping of activities, as well as giving to the relief problem a direct and intimate knowledge of the local conditions.

This report is respectfully submitted by the entire Board.

Yours very truly,

H. T. Rattigan      Helen Campbell  
Mae Leidecker      F. C. Anderson  
LOCAL BOARD



## Report of Carbon County Board

Submitted February 24, 1937

Before assuming control of the organization, this board made a thorough study of the method by which the former relief board conducted the business in Carbon County and after so doing, we accepted in toto such procedures as the board felt fitted in acceptably with its idea of the conduct of the relief problem, modifying others and rejecting the rest.

The matter first claiming our attention was the determination of a more rigid interpretation of eligibility for relief.

We next took action on complaints from United Mine Workers on relief cases, in that these clients were compelled to work too long a time until relief comes through. These complaints were corrected by modifying the number of days between the last pay day and the date of applying for relief. This action was evidently satisfactory to the United Mine Workers, as we have had but one case reported by them to this office since our conference with these United Mine Workers officials in October, 1936. This board feels that this action was justifiable on account of the peculiar conditions applying to anthracite coal operations.

These changes were made on the basis of the uncertain working conditions in the collieries, also the fact of colliery employees trading in stores wherein agreements were made between the employees and the storekeeper to make deductions from their wages.

After an extensive study, the question of granting supplementary relief to Works Progress Administration workers having families whose relief budget would exceed their earnings on Works Progress Administration projects, the Board, in the interest of justice, decided to supplement Works Progress Administration wages. Such supplementation is in sufficient amounts to bring their income on a par with the relief payments received by such others as were receiving like amounts, or more to which they were entitled by electing not to work at all, on the basis that they could get more from the Relief Board without working than those who were willing to work on Works Progress Administration projects.

This action of the Board met with hearty approval, not alone from recipients of relief, Works Progress Administration employees and Review Board, but the community at large. I might add that the action of the Board in granting supplementary relief did not increase the administrative costs at all.

The Board would call attention to the lack of cooperation on the part of Works Progress Administration officials. The Board made a study of several cases. The results of this study were turned over to the Works Progress Administration Board the fore part of January 1937. To date, this office has received advice of action being taken in only three cases of the ten reported. Our study of the cases reported confirms our opinion that duplicate and unfair assignments to Works Progress Administration are factors which are depriving worthy persons, now on relief, from obtaining a job.

This Board has a regular day each week for their meetings, and has thus given opportunity for groups and individuals to appear to present facts or grievances or suggestions. All such were given careful consideration by the Board in determining policy and procedure. We feel that it is only fair to the Board to state that its efforts to administer relief in Carbon County have herewith been received in a friendly and helpful spirit from those on

relief and the endorsement of the citizenry at large. I might also add that this Board has no knowledge of any adverse criticism.

This Board has endeavored to interpret its plans and changes of policy to the public through the press, labor and employment organizations, service clubs, and through the churches. This Board feels, that, in the light of our experiences in conducting the relief work in Carbon County, it can definitely state that relief work can be administered best by local boards as this Board is now constituted. Local problems can be interpreted to the Board by its members, in the light of their personal knowledge and contacts of cases submitted from the territory in which they reside. However admirably administration of local relief under this system may prove, it would be presumptuous to expect a Board composed of representative citizens, qualified to perform their duties in a satisfactory and conscientious manner without adequate compensation.

Regarding any further changes of policy, procedure, or organization in case this Board were to become a permanent set up, we feel that any change would be made as the occasions arise.

Very truly yours,

(signed) Russell P. Carling

Russell P. Carling, Chairman  
Carbon County Relief Board

RC:AW

#### Centre County

Owing to death of one member of the county board, and the resignations of two other members, only one of whom has been replaced by subsequent appointment, no extended written report has been received from this county. The Committee received, however, hearty cooperation in the study of the board's experience, which is recorded, in all essentials, in the charts and tables in the text of the report.

In a letter of March 16, Chairman Arthur B. Lee, referred to the problems raised by local strikes, and suggested, also, that "two or three supervisors.....check on the work of the board and on the cases."

Report of the Chester County Board

Submitted March 1, 1937

The Chester Emergency Relief Board appointed by Governor Earle on September 24 held its first meeting Saturday afternoon, September 26, 1936. The Board was organized as follows:

Raymond S. Shortlidge, Esquire, Paoli--Chairman  
Mrs. John S. Garrett, West Chester R.D.#3, Secretary  
W. Waldo Hayes, Esquire, West Chester, Treasurer  
Charles J. Stott, Coatesville

At the request of the Board the Supervisor of Area 19, of which Chester County had been a part, met with them.

It was decided that the Board would return to the county unit and would retain the present staff, as warranted. State Emergency Relief Board policies would be continued until the Board found reason to change. The Board has held regular weekly meetings every Friday morning.

As the Area was to be dissolved the lease on the Central Office building was given up and it was decided to use the District Office in West Chester as the one county office. Referral centers were continued with the Executive Director instructed to find cheaper quarters if possible. This has been done since, effecting an economy of \$46.00 a month. One referral center has been closed for lack of need.

Mrs. Helen Hill, Area Supervisor, was retained as Executive Director on a part time basis. Since Mrs. Hill's resignation the position of Executive Director and Relief Supervisor have been combined.

The Board did not attempt to reduce the staff to meet the State Emergency Relief Board "pattern" of eight per cent administrative cost as they felt it had been reduced as far as was possible to do and maintain the standard of performance. In so doing the Board recognized that sacrifice of staff might mean a small administrative saving but would be likely to result in large relief overpayments. The salaries of two visitors and one clerk have been raised slightly to bring them in line with work performed.

The Board members took steps to familiarize themselves with relief. They asked that they be provided with copies of the case list. This has been added to weekly with lists giving the new and resumed cases and cases discontinued so that they may have current knowledge of those on relief. Individual members of the Board checked certain cases on the list and concluded that those receiving relief were eligible. The Board decided that the staff is responsible for investigating and granting relief but that the Board holds the power of review of all cases. They also read the Relief Division Manual to familiarize themselves with the basis of eligibility and the process of authorizing relief. Some of the members had been called on in the past for references for relief applicants and had some knowledge of relief procedure. They had read what has appeared in papers and periodicals on the subject of relief. All members, however, are agreed that the Board experience has been a very enlightening one.

A sample case was drawn up for the Board, illustrative of the forms and the processes used in the authorization of relief. The members also talked individually with members of the staff and visited the office.

Individually the members concluded that relief in Chester County had been administered fairly and ably by the State Emergency Relief Administration and hereby make formal acknowledgment in the name of the Board of this conclusion.

Various matters of procedure were brought to the attention of the Board by the Executive Director who recommended certain changes. After investigation the Board approved the following changes:

1. Industrial Contact Department as such was dissolved and the work simplified. Previously the Visitors and Interviewers had written a form which was sent to the Industrial Contact Department. This information was, in turn, transcribed to another form and sent to the employer as well as to two cards. The reply when received was again transcribed and sent back to the Visitor. The name of the individual was registered with the Social Service Exchange of Philadelphia. This procedure was well thought through for a large industrial county, but with such a small caseload in a rural situation, it was not practical. Therefore, it was decided that the Interviewer would send to the employer either by telephone or letter a request for employment information on all new and reopened cases and the Visitors would make inquiries from employers on their active caseloads. This would be recorded in the case history. Periodically the entire active caseload would be checked with large industries. The Visitor would take her notebook to small local industries every four weeks for a payroll check.

It was felt unnecessary and too expensive to register every employee's name on every payroll which came into the Emergency Relief Office with the Social Service Exchange inasmuch as every name was cleared first with the active relief file, then with the master file which contains the name of everyone who ever applied for relief in Chester County. During the Executive Director's contact with the Social Service Exchange in identification of names, she had found that often they did not identify persons although they were in the Chester County Emergency Relief Board's master file and should have been registered in the Exchange. Not in a single case had she found employment that was unknown to the Visitor. It was interesting to note that the Visitors when asked for their opinions on the revised procedure were not only enthusiastic about having the work given to them, but were emphatic in believing that it was not only more satisfactory and accurate for them to get information first hand, but that it made their investigations quicker. It should be emphasized that the change in this procedure, applicable to a large office, was made to fit the individual needs in this County which has a small caseload and which is not highly industrialized. Considerable savings were affected on Social Service Exchange clearings as a result of this change.

2. The restitution procedure outlined by the State Emergency Relief Administration was shortened and simplified to some extent. Now a Visitor discusses a possible restitution case with the Supervisor and if it is decided that it is a case of fraud the Visitor then writes the report which must receive the approval of the Administrator-Supervisor. It then goes directly to the Restitution Agent for setting up the claim. Again, this change was approved to meet the needs of the local situation.

3. Another deviation from procedure was the decision to continue carrying cases assigned to Works Progress Administration active for the twenty-one day period rather than closing them immediately upon receipt of the information that the man was placed on Works Progress Administration. The reason for this decision was the inconsistency of the Visitor having to service a closed case and the confusion which would result from carrying closed cases in the Relief Division and active in the Financial Division. Statistically this was thought to be impractical. For instance, the caseload as carried by the Visitors might be 275 at the end of the week and by the Financial Division the amount of relief granted would be that of 375 families because 100 would be receiving a grant until they received their



first Works Progress Administration check twenty-one days after assignment.

4. As the Directors of the Poor of Chester County had declined to cooperate in the care of intra-state transients, the Board decided to accept such cases for care after the Poor Board of the county of legal settlement had verified residence and requested in writing that we grant relief. This decision was reached after careful consideration of several individual cases. The Board felt that as long as relief is administered from State funds, it is unnecessary to draw county lines.

5. The Automatic Re-instatement Procedure was discontinued because of the general dissatisfaction of the staff with it on the grounds that it is more logical to investigate before than after granting relief.

Some time was spent in the consideration of employability as a basis of eligibility for relief. To this end an analysis of the monthly rejections was made for October, November, December, and January. These show that approximately 21% of those rejected are unemployable according to Emergency Relief Board standards. As these people are in need of relief and the Poor Board frequently does not agree with the Emergency Relief Board decision as to employability, it was felt that on the basis of employability some of these people will "fall between" the organizations and consequently suffer. However, with the present set-up of relief organizations it was thought inadvisable for the Chester County Emergency Relief Board to change the ruling on this point. But the Board recognized that the basis for relief should be need. In the pursuit of this discussion a study of the actual employability of the employable members of the families on relief was made for the Board by the Staff. This study was made just prior to the moving up of the Works Progress Administration deadline to November 1st. Therefore, it could be assumed that the Works Progress Administration had absorbed the most employable members. The study showed two outstanding facts:

1. That age (old age and extreme youth) was a deterrent factor in the employability of 32% of the employables.

2. That two-thirds of the total number of employables on relief were women.

Therefore, the question arises whether these people can become permanently self-supporting or whether some form of continuing public relief will not be necessary.

In Board meetings consideration was given to qualifications of Board members and Visitors. It was felt that Board members should be actively engaged in business rather than retired; should be public spirited but not engaged primarily in philanthropic work. It was agreed that although no one should be chosen because of political affiliations, parties should be represented on such a Board and as a Board it was felt that if the individual was really interested in the work all party affiliations would be forgotten in an effort to make a smooth running organization. It was felt a good idea to have the professions represented although not necessary. It was felt that a too dominant personality should not be on the Board. It was agreed that County representation is valuable, that is, that all sections of the County should have a representative. The preferable number for a Board would be five. Qualifications for Visitors met with some diversity of opinion which varied from the desirability of a college degree to two years beyond high school work. Other qualifications advisable but less easily defined were as follows: Good personality, emotional balance, definite interest in the work with the idea of continuing in the profession, judgment, understanding of people, common sense, good character. The manner in which it was possible to find out if the worker was fitted for the job was discussed. It was felt that perhaps a written test would obtain results but that greater emphasis

should be placed on a personal interview as beneficial in determining the qualifications listed above. In addition to a written test and personal interview, references might be used to obtain knowledge of the individual. It was felt that the lower age limit should be twenty-five. The worker should be resident in the County but if it were impossible to find workers in the County the residence requirement should be changed to State.

The Board also considered several cases which illustrated the only employable member of the family employed on a full time basis but earning a wage insufficient to meet the budgetary deficiency of the family. According to State Emergency Relief Administration policy, such cases would have to be closed. The Board recognized that where the only employable is unable to earn an amount equal to the family's budget deficiency, supplementation is clearly necessary and questioned the State's policy of closing such cases. They decided that such cases should be reviewed individually by the Board.

Recognizing the desirability of keeping perspective on relief in Chester County and the advantage of direct knowledge of State Emergency Relief Board policies and proceedings, the Board requested the State Emergency Relief Administration to continue to give Chester County the benefit of its field service.

The Board feels that the changes made in procedure have been logical or time-saving. The change in Industrial Contact Department procedure has hastened the granting of relief in most cases. The shortened Restitution process is also time and work saving. The State Emergency Relief Board procedure on Works Progress Administration immediate closings and automatic reinstatement were rejected as unsound. On matters of policy their judgments have been based on logic, justice, and social consciousness.

The Board made no special effort to interpret its plans or changes of policy to the community with the exception of a meeting held with the County Commissioners and the Poor Board which received no publicity. The Board feels that the community is uninformed on relief. They feel they have awakened perhaps rather belatedly to the fact that some community education in various forms of publicity may be part of their job. They plan to go into this more fully. One member of the Board in a personal capacity (not as a member of the Board) has been addressing various organizations in the county on the Goodrich plan and has perhaps thus aroused some interest in relief.

If the Board were to be organized on a permanent basis it is their opinion they would approve in general such a set-up as the Goodrich plan provides. They would endorse: a County Board, State Funds, State control to maintain standards and uniformity, a merit system.

While the Board has not carefully studied the present relief scale, yet it appears that it may at times be inadequate, particularly in the field of shelter, and the Board feels that it would be well if the relief scale was changed periodically in accordance with the general cost of living.

CHESTER COUNTY EMERGENCY RELIEF BOARD

By

(signed) Raymond S. Shortlidge

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Raymond S. Shortlidge  
Chairman

## Report of Cumberland County Board

Submitted February 23, 1937

After several weeks of careful study, your Board adopted some principles as basic in their work, and announced them to the public through the medium of the Press-

- a. That no political pressure would under any circumstances receive consideration in any case applying for aid.
  - b. That we would endeavor to initiate a system of procedure which would reduce the time for final action on any case to a minimum.
  - c. That we would adopt rules to govern our work as occasion demanded, and that we would use common sense in applying them.
1. Our first step after taking over the work on October 15, was to make a complete and exhaustive study of the method of procedure then in vogue under the existing system of County Relief.
    - (a) This led us to believe that we might save time and delay in working on pending cases; that this sometimes worked an unnecessary hardship on needy cases. We have endeavored to cut the time as much as possible by authorizing our supervisor to get all necessary information on each case through her staff of Visitors, and unless they were problem cases, we would rely on her recommendations. This has saved some time and works out very satisfactorily.
    - (b) Our staff had been cut to the bone, before we took over the work, with the large area to be visited. We therefore added two more Visitors and an Interviewer, who gives a day each to the offices we maintain at each end of the County and the rest of the time at the Central Office. We believe this has increased the efficiency of settlement of cases by 33 1/3%.
  2. Our study showed us that a closer supervision of our cases was necessary to reduce the number, who simply failed to report that they no longer needed relief. We believe that the two additional Visitors have saved their own expense, through this closer supervision.
    - (a) We also initiated the system of granting relief - not upon the basis of "with how small an amount would possibly suffice", but by a more liberal allowance, based upon need for the moral effect, which encourages families to strive for self-support again.
    - (b) We believe that the selection of a Board from all parts of the County, and in our case, all of whom have had Social Service experience, in some form

or other, was a happy selection. This aids us in determining finally any and all problem cases, at our weekly meetings which are held every Monday afternoon.

3. From association with private local welfare workers and their reactions, we believe that our present system of Relief meets with their general approval. We have projected the organization of a Central Committee, where all welfare agencies can meet and discuss their problems, and are awaiting a favorable time to call such a meeting and consider the formation of such committee. We believe from what we hear that the community and the public in general, have the utmost confidence in our plan of work, and are ready to give it their approval and support.
  - (a) We believe that the Goodrich Committee plan for re-organization of Relief Work is in harmony with our understanding of the best and most scientific care of needy cases. We believe that local committees or Advisory Boards, divorced from political affiliations would make relief work more efficient. The merit system of the personnel in this work, meets with our approval, and we urge its adoption.
4. The danger in all this work is slipping into a rut. For this reason we firmly believe in a Central Department, where all possibility of local influence and false economy, can be eliminated. Where a continued study and research carried on by competent and trained persons, will make possible the suggestion and introduction of the latest scientific plans for administration of such work we consider highly important.
5. We feel that personnel curtailment is not a necessarily effective administrative economy and believe that in order to efficiently meet the demands of a caseload of continually changing size, that a staff of permanently adequate number is needed. For that reason we have increased the number of workers in our local office from seven to thirteen since October, and expect to increase as need demands, and hope to develop a permanent staff of sufficient size to meet the changing seasonal demands throughout the year.

Respectfully,

CUMBERLAND COUNTY RELIEF BOARD  
Mr. Jacob M. Goodyear, Chairman  
Mrs. J. Cox Thompson, Secretary  
Dr. George M. Diffenderfer  
By  
Dr. George M. Diffenderfer



(3)

STATE AND LOCAL ORGANIZATION OF  
PUBLIC ASSISTANCE  
IN  
TWELVE REPRESENTATIVE STATES

TECHNICAL STAFF FOR THIS STUDY

Amey E. Watson, Ph.D., Director of Study  
Kathryn W. Davis, Ph.D., Assistant in Research  
Edith Miller Tufts, Acting Chief of Research, Consultant  
Kenneth L. M. Pray, Secretary, Pennsylvania Committee on  
Public Assistance and Relief; Editor

State and Local Organization for Public Assistance inTwelve Representative StatesI. - Introduction

Among the most difficult, as well as the most important problems, in the formulation of a satisfactory state-wide program of public assistance, is the determination of the specific functions to be exercised by representatives of the local community and by representatives of the State as a whole, the relative authority to be exercised by government at these two levels, and the form and structure of the organizations, both state and local, through which this authority is to be administered. On behalf of the Pennsylvania Committee on Public Assistance and Relief, study has been given to these problems with the object of analyzing and appraising the experience, not only of Pennsylvania, but of other states whose public assistance problems are similar to Pennsylvania's in scope and character.

Twelve states have been chosen for special consideration. Four of the states border on and practically surround Pennsylvania; namely, New York, New Jersey, Maryland, and Ohio. Three others, widely scattered, have been chosen on this account and because peculiarly significant programs were in operation or in process of formulation; these were Massachusetts, Florida, and California. Five large middle western states, representing a wide range of policy in this field, completed the list; these were Indiana, Illinois, Michigan, Wisconsin, and Minnesota.

In several of these states, and in others, special commissions or investigating bodies similar in purpose to this Committee, have recently made extensive studies and have made available the preliminary or complete results of their work. Many public officials and members of investigating bodies have added exceedingly valuable comment and expressions of personal judgment, based upon their own thoughtful study and responsible experience, with reference to certain practical problems of state and local organization in this field.

Results of this study largely underlie the program of State and local organization for public assistance recommended by the Pennsylvania Committee on Public Assistance and Relief to Governor George H. Earle on December 15, 1936, and embodied, with some modifications, in recent legislation in the General Assembly of Pennsylvania.

Method of Study

The laws of the several states under consideration were first examined, analyzed and charted, with reference to significant factors of structure and authority in state and local public assistance organization, and the relations between them. From official reports and other documentary material, supplemented by correspondence and conference, a descriptive and historical summary of recent developments in law and policy was prepared, including, where possible, the conclusions and recommendations of special investigating commissions, which indicated current trends and prospects of change.

The complete summary, outline report, and charts of each state were then submitted for verification, correction, amplification, and interpretation to a number of officials of that state responsible for administration or supervision in the several fields of public assistance, and to a number of other interested and informed persons in the state, whose judgment would

throw helpful light upon local and state-wide public assistance problems and activities.

When revised and completed, in accordance with information received from these sources, the data were again submitted to state authorities for verification and approval. The material concerning all the states was then subjected to analysis for purposes of appraisal and generalization.

Extensive bibliographies, as well as the complete correspondence and data concerning each of the states included within this study, are in the Committee's files. Only the most significant facts and conclusions, with a condensed tabulation, for reference and comparison, are contained in this summary report.\*

### The Problem

Four principal problems of public assistance organization were at the focus of this study:

- (1) What is the division of responsibility, in the administration of public assistance, between state and local authorities?
- (2) What is the division of financial responsibility for public assistance, between state and local governmental units?
- (3) What is the structure, the source of authority, and the form of organization, of the local governmental body responsible for administering assistance?
- (4) What is the structure, the source of authority, and the form of organization of the state governmental body, if any, having responsibility for administering or for influencing the administration of public assistance?

\*In the compilation of materials for this report, much help and guidance have been derived from publications of the Social Research Division of the Works Progress Administration, especially the following digests: "Old Age Assistance Laws of the Several States and Territories, as of September 1, 1936"; "Blind Assistance Laws of the Several States and Territories, as of September 1, 1936"; "State and Territorial Laws Granting Aid to Dependent Children in Their Own Homes as of September 1, 1936"; "Poor Relief Laws of the Several States and Territories as of May 1, 1936". Constant use has also been made of the "Digests of Public Welfare Provisions under the Laws" of each state, prepared by the same division, and now covering all the states, and "Analysis of Constitutional Provisions Affecting Public Welfare", now also available for practically every state. Direct references to specific state statutes governing most of the important matters under discussion are contained in the footnotes in the following pages. State laws and amendments of laws enacted in 1937, after the preparation of this report, are briefly recorded in footnotes, but the text of the report has not been modified to incorporate these specific changes. No attempt is made to refer specifically to other sources of information, principally consisting of direct correspondence with individuals identified with public administration or with welfare activities in each state. Generalizations and characterizations in the text not documented by legal references are derived from these reports and letters.

## Types of Public Assistance

The law and policy of the states in all these matters often vary with respect to different forms of public assistance. Special attention is directed in this study to the organization and administration of those forms of assistance which are now in operation in Pennsylvania as more or less separate entities. These include:

- (1) General Relief, historically known as "out-door poor relief"--the original basic service formerly available to all in need of any form of public assistance, and now carrying the residual responsibility for helping all those for whom no other type of special assistance is available;
- (2) Unemployment Relief--a form of assistance developed largely during the recent depression, for the special aid of large numbers of persons whose means of support were destroyed or diminished by this far-reaching economic catastrophe;
- (3) Aid to dependent children in their own homes or in the homes of close relatives, when the absence or interruption of parental care of young children is the principal factor in creating need for public assistance (in Pennsylvania known as "mothers' assistance" and limited in the past to children living with their mothers and whose fathers are dead or permanently confined in hospitals for the mentally ill);
- (4) Aid to dependent children in foster homes and institutions, when their own families are broken or unable to provide adequate care and support;
- (5) Old age assistance, for those who have passed their normal earning years (in Pennsylvania, the age of 70) and who have not adequate means of support through their own resources or those of properly responsible relatives;
- (6) Assistance to the blind, whose physical handicap exposes them to special risks of social and economic insecurity;
- (7) Veterans' Relief--in reality, a form either of unemployment relief or of general relief, but often separated from them in administration, as in Pennsylvania, by reason of the strong sense of group solidarity of those who have served the state in time of war, and the strong community sentiment in their behalf, which somewhat differentiates them in the public mind from others in need.



## II. - Relation Between State and Local Authority in Public Assistance Administration

All of the special forms of relief or assistance enumerated in the preceding paragraphs are offshoots, it is clear, from the historic general service commonly known as "poor relief".

Originally, everywhere in America, as in England from which American policy and practice were largely derived, this was a strictly local responsibility imposed by state or provincial laws but subject to practically no central control. Originally, also, this responsibility was largely discharged by way of institutional care. The workhouse for the able-bodied and the almshouse for those unable to work were the typical means employed for the care of all the destitute. Into these institutions were received dependent adults and children, whatever the source of their dependency--the mentally and the physically ill and defective, along with the victims of other economic and social misfortunes.

The first substantial intervention of state governments, in the acceptance of responsibility in any of these fields, was early in the nineteenth century, in the form of institutional care for delinquents convicted of the more serious offenses, and, somewhat later, institutional provision for the mentally ill and defective. Shortly after the Civil War a number of states (for example, Massachusetts in 1863, Pennsylvania in 1869) accepted a somewhat larger measure of state responsibility for inspection and supervision of activities of local governments in aid of the poor and unfortunate. State Boards of Charities and Corrections were set up, charged not only with supervision of state institutions, which were usually managed under the direction of separate Boards of Trustees, but also with inspection and report upon the conduct of almshouses and other local institutions. Private charities, especially those concerned with the care of children, were also brought under the inspectional authority of those state bodies. Chiefly advisory powers were exercised by them at the beginning, although as they gained wider experience and knowledge, with the assistance of full-time inspectors and the advice of experienced and trained leaders, their powers tended steadily to expand and gain strength.

Rarely, however, did these powers in the early days extend to any systematic control over those operations which did not involve the visible and tangible problems of institutional construction and operation. During the last twenty-five years, however, during which "home relief" operations have steadily grown in volume and importance, as compared with institutional care, state authority with respect to these functions has also grown steadily. This growth partially accounts for the steady movement toward the transformation of State Boards of Charities and Corrections from independent, minor appendages of state governmental structure into regular departments of government, possessing the dignity and authority of other permanent departments performing regular, continuous functions. It is especially evident in the increased activities of the states with respect to special services cut off from "poor relief" and given separate emphasis.\*

It is significant, for instance, that while eleven of the twelve states considered in this study continue to leave administration of general poor relief within the largely autonomous control of local officials, all but four of the states exercise complete state control of one or more of the more recently separated and specialized forms of assistance.

\*See Footnote, page 97.

Still more striking is the extensive supervisory power exercised in all fields of public assistance by practically all these states. Every one of them either shares administrative powers with the local officials in one or more fields, or exercises extensive supervisory authority over local public administration.

#### Poor Relief\*

The principal form of state supervision or control over local outdoor poor relief exercised in these states is that implied in state inspections and reports, and in the correlative right of the state to prescribe the forms of records and reports of local officials. Even this degree of supervision is limited to the states of California<sup>(1)</sup>, Massachusetts<sup>(2)</sup>, and New York<sup>(3)</sup>; Pennsylvania<sup>(4)</sup> also falls into this group. In Florida<sup>(5)</sup> and Maryland<sup>(6)</sup>, by special provision of law, poor relief, as well as other local welfare functions, may be delegated by local officials to County or District Boards of Welfare administering other forms of assistance, and in that event this function comes under fairly strict supervisory control of the state department. In Maryland, a majority of counties have taken this step.

Certain states, notably New York<sup>(7)</sup> and Massachusetts<sup>(8)</sup>, have clothed State Departments of Welfare with more or less direct responsibility for the so-called "unsettled" or "state poor", who, because they have no legal settlement in a particular district of the state, are not a proper legal charge against any local community. Massachusetts<sup>(9)</sup> also conducts a State Infirmary as part of its service to this group. A number of other states place with the state department a responsibility for determining the "settlement" of a poor person and for negotiating with other states for the return of such persons to the states where they have legal domicile.

Institutional provision for the so-called poor, in almshouses, county homes or otherwise, is usually the primary responsibility of local poor officials, and this function is generally subject to somewhat closer state supervision than is home relief. In addition to the states that exercise some

\*See Footnote, page 97.

- (1) California, Statutes of 1917, Chapter 252; Statutes of 1929, Chapter 512; Statutes of 1935, Chapter 411, 585, 652. Deering's Political Code, 1931, 4224, 4408 (20).
- (2) Massachusetts, Acts of 1931, Chapter 394, Section 128; General Laws, Chapter 18, 117.
- (3) New York, Laws of 1929, Chapter 565, Article 16.
- (4) Pennsylvania, General Poor Relief Act of 1925, P.L. 762, Chapter 5, Section 500; also Administrative Code of 1929, P.L. 177, Article XXIII. (These provisions are modified and superseded by the Act of June 25, 1937. See Appendix.)
- (5) Florida, Social Welfare Act of 1935, (superseded by Welfare Act of 1937,) (S.B. 1111).
- (6) Maryland, Laws of 1935, Chapter 586.
- (7) New York, Public Welfare Law of 1929, Chapter 565, Article 8, Sections 65-70 inclusive.
- (8) Massachusetts, Acts of 1926, Chapter 241, Section 18.
- (9) Massachusetts General Laws of 1921, Chapter 122, as amended; Acts of 1926, Chapter 155.

supervision over outdoor relief, Illinois<sup>(1)</sup>, Indiana<sup>(2)</sup>, Michigan<sup>(3)</sup> and New Jersey<sup>(4)</sup> have direct power to inspect local institutions and varying authority to control institutional construction and administration. Pennsylvania<sup>(5)</sup> is one of the states in which the approval of the State Department of Welfare is required before plans for building of local almshouses can be carried out. In many of these states, however, the power to correct unhealthful or unwholesome conditions can be exercised by the state department in the last analysis only through resort to the courts, through local prosecuting officials.

### Unemployment Relief

Prior to the most recent depression, relief of those in need of public assistance by reason of unemployment was provided merely by an expansion of the activity of the usual poor relief authorities, or by emergency expansion of the efforts of private charitable societies. During the past few years, however, in practically every state, special organizations have been set up through which the state government has come to the rescue of overwhelmed local agencies. This was stimulated and somewhat guided by the establishment of the Federal Emergency Relief Administration and the distribution of Federal funds for local unemployment relief through state governments. The withdrawal of Federal direct relief payments in December, 1935, ushered in another period of transition, which in most states is not yet ended, and which has rapidly changed the relative responsibilities of states and localities in this field of public assistance.

In a number of states, notably California, Illinois, Maryland, New Jersey, and New York, as well as Pennsylvania, State Emergency Relief Administrations early in the emergency assumed practically complete administrative control of unemployment relief, either by setting up special local boards or bureaus, subject to strict state standardization, or by distributing state and Federal funds to existing local bodies, on conditions strictly specified. California and Pennsylvania still administer unemployment relief directly, with only advisory service from local bodies.

In practically all these states, since the cessation of Federal aid for direct relief, the trend has been toward an increase of local administrative responsibility, with the retention by the state of supervisory powers, coupled with the power to allocate state funds to be expended by local bodies. In only two of these states, Illinois<sup>(6)</sup> and New Jersey<sup>(7)</sup>, has state control of administration been completely withdrawn, though state aid has been continued.

In a number of other states, including Florida (where no state funds have been available at any time), Indiana, Massachusetts, Michigan, Minnesota, Ohio, and Wisconsin, the state has not exercised at any time more than a strong advisory or supervisory control, direct administration at all times

- (1) Illinois, Smith-Hurd Revised Statutes, 1929, Chapter 23, Section 5F.
- (2) Indiana, Laws of 1936 (H.R. 564) Chapter 3; Laws of 1935, Chapter 116.
- (3) Michigan. By the enactment of Senate Bill 111, 1937, Section 13f, and correlative acts, the new State Department of Public Assistance has supervision of outdoor relief of all kinds, as well as of local institutional care.
- (4) New Jersey, Cum. Supp. to Comp. Statutes, Sections 34-73.
- (5) Pennsylvania, supra cit.
- (6) Illinois, Laws of 1936 (Second Special Session) in force July 1, 1936.
- (7) New Jersey, Laws of 1936, Chapter 83, approved May 4, 1936.



having been under the direction of permanent local bodies, usually those entrusted with administration of general relief or other forms of assistance. State control in all these states was largely limited to the allocation of funds and the maintenance of uniform accounting and reporting. The provision of educational guidance and inspection of local operations by a field staff of the state authority constitutes an important factor in state-wide standardization of administration in several of the commonwealths.

In this second group of commonwealths, further movement toward complete local autonomy has recently occurred, especially in Florida, Indiana, and Ohio, where local units of government are wholly responsible for direct administration, with only slight state supervision or none at all.

Recent recommendations of official bodies and of special investigating commissions have tended to stabilize this situation by making provision for the integration of unemployment relief with other forms of public assistance, both in state and in local organization, and by attempting to establish a practical definition of function and a balance of authority between them.

Thus, in New York<sup>(1)</sup>, unemployment relief will soon become, under recent law, in accordance with recommendations of the Governor's Commission on Unemployment Relief, an integral part of local public welfare administration, subject to strict supervision of operations and standardization of policy by the State Department of Social Welfare, with which the Temporary Emergency Relief Administration is being merged. In California<sup>(2)</sup>, a number of proposals calling for consolidation of unemployment relief with general relief under local welfare boards, subject to standardization by the State Department of Welfare, replacing the State Relief Commission, are under discussion. In Florida<sup>(3)</sup>, the State Department of Social Welfare has taken over the functions of the State Relief Commission, and, through local district boards of welfare, may accept responsibility for administration of this, as well as other, forms of relief and assistance. Similar efforts are under way in Indiana, Michigan<sup>(4)</sup>, and Minnesota<sup>(5)</sup>.

#### Old Age Assistance

The impact of Federal interest and aid, expressed in the Social Security Act, doubtless accounts for the fact that these states, almost without exception, exercise rather strong supervisory controls over the administration of old age assistance. Each of the twelve states considered in this study now operates in this field under a plan approved by the Federal Social Security Board under the Federal law, and every one, therefore, has provided in its own law and policy for that measure of state responsibility required by present Federal policy, namely, a sufficient degree of state-wide control to assure the reasonably equal treatment of all those eligible under the law for old age assistance and a reasonably efficient administration of the act.

(1) New York, Laws of 1936, Chapter 873.

(2) California, an act of 1937, merging administration of unemployment relief with other assistance services under the supervision of the State Department of Welfare, has been declared unconstitutional by the Attorney General.

(3) Florida, *supra cit.*

(4) Michigan. The Act of June 25, 1937, accomplished complete consolidation of local administration of unemployment relief and general relief, as well as old age and other assistance, through County Boards of Welfare, subject to supervision and standardization by a new State Department of Public Assistance.

(5) Minnesota, Under Chapter 89 and Chapter 343, Laws of Special Session, 1937, this consolidation is effected.



Two of these states, Michigan<sup>(1)</sup> and Ohio<sup>(2)</sup>, administer this assistance directly, with only advisory powers in any local body, though in the former a local board of appeal is set up. New Jersey<sup>(3)</sup> goes almost as far toward complete state control, by placing in the State Department of Institutions and Agencies control of all standards, including those of personnel, records, methods of operation as well as the final certification of payrolls, along with strict constant supervision of local administrative authorities. Maryland<sup>(4)</sup>, too, has these powers. Only slightly less state control is exercised by Florida<sup>(5)</sup>, Illinois<sup>(6)</sup>, and Indiana<sup>(7)</sup>, where, under recently enacted laws, new county or district boards have been set up, either owing their existence to the State Department, or clearly subject to state control, through which old age assistance, either alone or together with other services, is administered.

California<sup>(8)</sup>, Massachusetts<sup>(9)</sup>, Wisconsin<sup>(10)</sup>, and New York<sup>(11)</sup>, while leaving administration to local bodies not directly subject to the state government, in the origin of their powers, have given State Departments strong supervisory control over this administration, through the setting of standards, the allocation of funds, continual inspection and educational supervision, and the collection of reports and statistics.

#### Aid to Dependent Children in Their Own Homes

In only one of the states under consideration, Florida<sup>(12)</sup>, is aid to dependent children in their own homes a strictly local function, subject to no effective state control whatever. In one other, Illinois<sup>(13)</sup>, the State exercises a limited supervisory function, chiefly in the distribution of State and Federal funds. In Minnesota<sup>(14)</sup>, the State Board of Control has powers of inspection and report, but no standardizing authority. In one state, New Jersey<sup>(15)</sup>, the State itself administers this form of assistance directly and exclusively. In nine states, while administration is in the hands of local bodies, the state has definite supervisory power, with more or less substantial influence upon the extent of aid and the method by which it is administered. Pennsylvania falls within the group with supervisory responsibility.

- (1) Michigan. The Act of June 25, 1937, accomplished complete consolidation of local administration of unemployment relief and general relief, as well as old age and other assistance, through County Boards of Welfare, subject to supervision and standardization by a new State Department of Public Assistance.
- (2) Ohio, General Code, Sections 1359 et seq., as amended, especially by H.B. 449, approved May 7, 1937.
- (3) New Jersey, P.L. 1936, Chapter 31 and Chapter 83.
- (4) Maryland, Laws of 1936, Chapter 149.
- (5) Florida, Laws of 1935, Chapters 17141, 17477; also Welfare Act of 1937, (S.B. 1111).
- (6) Illinois, Smith-Hurd Rev. Statutes (1936 Supp.) Chapter 23, Section 410-429; Laws of 1935 (2nd Ex.) H.B. 40, 41, and Act of July 8, 1937.
- (7) Indiana, Laws (1936 1st Ex.) Chapter 3; Laws of 1937, Chapter 47.
- (8) California, Laws of 1936, Chapter 7.
- (9) Massachusetts, General Laws, Chapter 118; Laws of 1936, Chapter 436, 438; amended by Chapter 440, Laws of 1937.
- (10) Wisconsin, Laws of 1935, Chapters 391, 554.
- (11) New York, Laws of 1936, Chapter 693; amended by Chapter 645, Laws of 1937.
- (12) Florida, by Welfare Act of 1937, (S.B. 1111) administration is entrusted to State Welfare Department.
- (13) Illinois, Smith-Hurd Rev. Statutes, Act approved June 29, 1931, page 319.
- (14) Minnesota, Mason's Minnesota Statutes, Chapter 73A, Section 8683; amended by Chapter 438, Laws of 1937, and supplemented by Chapter 343, Laws of 1937, governing local organization.
- (15) New Jersey, Amendment of Chapter 263, P.L. 1932, and Chapter 33, P.L. 1936.

The kind and degree of state supervision in states in this last group varies widely, with the trend, however, very clearly in the direction of increasing state authority. In California<sup>(1)</sup>, the State Department of Social Welfare sets standards of eligibility and administration, reviews applications, compiles complete records and audits accounts of local operations. Ohio<sup>(2)</sup>, which formerly exercised practically no state supervision over local administration of aid to dependent children (which is in the hands of the probate judge in each locality) has recently instituted a policy of moderate supervision through the staff of the State Department, and through appointment of so-called "Voluntary Assistance Boards", to cooperate with the judge, to study the problem, and to advise both state and local authorities. Indiana<sup>(3)</sup>, through recent legislation, has also increased its supervisory powers by setting up County Boards of Welfare, which, in this and in other matters, are the "agents" of the State Department of Social Welfare, that sets standards of eligibility and makes rules of administration. Possibly Maryland<sup>(4)</sup>, where, also, local welfare boards are the "agents" of the State Department, and, under the law are under the "supervision, direction, and control" of that Department, has established the most complete basis of state supervisory control. Massachusetts<sup>(5)</sup>, which sets standards and closely supervises operations of locally elected boards, and Michigan<sup>(6)</sup>, where administration is within the complete control of bodies set up and directed by the State Emergency Welfare Relief Commission<sup>(6)</sup>, have also advanced far toward state standardization. Wisconsin<sup>(7)</sup> affords moderate control, limited, however, by the fact that direct administration for the most part is in the hands of elected local probate judges. There the county board of supervisors may create a county pension board to administer this and other programs.

It is significant, however, that in practically all the states in which state authority has recently been extended, definite efforts are under way to maintain the continued active participation of local public authorities or citizen representatives, through the formation of County or District Boards of Welfare, responsible for supervising and directing administrative operations and for approving eligibility of individual applicants under state standards and regulations. General standards of eligibility are fixed either by state law or by a state department, and state authorities may usually decide appeals from local administrative decisions. But direct administration itself is stated in the law, or is interpreted as a matter of policy by state administrators, as within the province of local bodies, subject to state standards and to educational leadership and advice of field representatives of the state departments.

Frequently, in recent laws, qualifications, numbers and salary schedules of members of the employed staffs of these local bodies are subject to state standardization, and in a number of states competitive state-wide examinations are the basis of appointment of local workers.

- (1) California, Chapter 389, Statutes of 1937 (Welfare and Institutions Code).
- (2) Ohio, Laws of 1935, (1st Ex.) H.B. 610; General Code, Sections 1359-31 et seq., as amended.
- (3) Indiana, Public Welfare Act, Laws of Indiana, 1936, Chapter 3. Amended by Chapters 41 and 47, Laws of 1937.
- (4) Maryland, Laws of 1935, Chapter 586, (S.B. 262).
- (5) Massachusetts, General Laws, Chapter 118, amended by Laws of 1936, Chapter 413.
- (6) Michigan. See Section 10, Act of June 25, 1937, supra cit., for most recent enactments.
- (7) Wisconsin, Laws of 1935, Chapter 554.

## Aid to Dependent Children in Foster Homes and Institutions

Perhaps the most common type of state supervisory authority in the whole field of public assistance is that which is concerned with institutions and agencies for the care of dependent children outside their own homes. Every one of the twelve states considered in this study affords more or less supervision of this kind, though its extent and intensity vary widely from state to state. Its most common form is the right and duty of the state to visit and inspect institutions, gather and compile reports, and recommend methods of care and treatment, with emphasis upon education and persuasion of local institutional authorities, rather than compulsion. To these powers are commonly added the power of license, which, though not always used aggressively, gives the state's recommendations a sanction of considerable strength.

California(1), Illinois(2), Indiana(3), New York(4), and Ohio(5) exercise what may be designated as relatively mild supervision, chiefly inspectional and educational, over the local public authorities in this field, which are most frequently the elected judges of the courts, or special bodies charged with the specific duty of conducting institutions or of committing children to institutions and agencies.

At the other extreme, among these states, stands Maryland(6), whose State Board of State Aid and Charities exercises continual supervision and a considerable measure of standardization of these services, both those conducted by local public authorities--the County Boards of Welfare--and those of state-aided private agencies and institutions. Minnesota(7), Massachusetts(8) and New Jersey(9), also, through state bodies not only inspect and supervise all agencies of this kind, but directly administer care to large numbers of children committed to their care by the courts and other bodies. Legal guardianship of these children in these last-named states rests with the state authorities, which thereby have complete control of treatment. Wisconsin(10), through its State Board of Control, by the licensing power, coupled with obligatory inspection, also exercises a large measure of direct influence and control in this area of public assistance.

### Blind Assistance

Administration of assistance to the blind ranges, among the states under consideration, all the way from practically none at all, as in Florida(11), where it is treated as part of the strictly local general relief problem and is available only in a small number of counties as a

- (1) California, Laws of 1927, Chapter 510.
- (2) Illinois, Smith-Murd Revised Statutes, Chapter 23, Section 5f.
- (3) Indiana, Laws of 1936, Chapter 3, Article VIII, as amended by Chapter 41, Laws of 1937.
- (4) New York, Cons. Laws, Chapter 56, Article XVI, Section 300-314 Inclusive. Also Laws of 1936, Chapter 873.
- (5) Ohio, 1927 Session Laws, page 359, General Code Section 1352, et seq.
- (6) Maryland, Laws of 1935, Chapter 586.
- (7) Minnesota, Mason's Statutes, 1927, Chapter 25, Section 4454.
- (8) Massachusetts, Acts of 1928, Chapter 155.
- (9) New Jersey, Cum. Supp. 1924, Chapter 97, Section 9.5.
- (10) Wisconsin, Laws of 1929, Chapter 439, Section 5.
- (11) Florida, under Welfare Act of 1937, blind assistance is administered under the State Department of Welfare.



separate form of assistance, to systematic and complete state administration, without local participation, as in Massachusetts and New Jersey. In the former, the function is exercised by the Division for the Blind in the Department of Education; in the latter, through the Commission for the Blind in the State Department of Institutions and Agencies.

Between these two extremes stand all the other states, with a wide variety of administrative organizations and policies. In California<sup>(1)</sup>, this function, like other public assistance measures, is under the direct administrative control of local general relief agencies, subject only to the provision that such agencies may call upon the "home teachers" of the State Industrial School for the Adult Blind, for assistance in investigating applicants. In Indiana<sup>(2)</sup>, Maryland<sup>(3)</sup>, and Ohio<sup>(4)</sup>, this function is a more or less separate part of the assistance program administered by local welfare boards or relief bodies, and subjected to the same general supervision as other parts of that program. Minnesota<sup>(5)</sup> conducts, through a central state authority (the State Board of Control), direct administration of assistance to the blind, through a small field staff, which is not yet able to cover the whole state. The State's plan has not yet received approval of the Federal Social Security Board. New York<sup>(6)</sup>, where the state government formerly confined itself largely to educational work, and left the function of aiding the blind to general local relief bodies, subject only to the same general supervision by the State Department of Social Welfare as other factors of general relief, has now adopted a state-wide program, administered locally but under strong state supervision.

Wisconsin<sup>(7)</sup>, through its State Pension Department, makes all necessary rules and regulations and conducts definite supervision of local administration, which is carried on by local pension departments or departments of welfare or other local authorities. Michigan<sup>(8)</sup> has placed this function temporarily with the State Emergency Welfare Relief Commission, where it is administered practically under exclusive state control by local bodies representing the state agency. Finally, Illinois<sup>(9)</sup>, up to this time, has separated this function entirely from other assistance services, by placing the allocation of funds in the hands of a special board consisting of the Governor, the State Treasurer, and the State Auditor, local administration being conducted by the county clerk. This plan has not been accepted by the Federal government.

- (1) California, Statutes of 1935, Chapter 703; Laws of 1936, Chapter 6.
- (2) Indiana, Laws of 1936, (1st Ex.) Chapter 3, Amended by Chapter 47, Laws of 1937.
- (3) Maryland, Laws of 1936, Chapter 148; Laws of 1935, Chapter 586; Laws of 1937, Chapter 39.
- (4) Ohio, Laws of 1936 (1st Ex.) (H.B. 611), General Code, Sections 2967 et seq.
- (5) Minnesota, Laws of 1935, (1st Special Session), Chapter 93; amended and superseded by Laws of 1937, Chapter 324.
- (6) New York, Laws of 1937, Chapter 15, Article 13.
- (7) Wisconsin, Laws of 1935, Chapter 554; also Statutes, Section 49,50.
- (8) Michigan, Act of June 25, 1937, supra cit., consolidates administration of blind assistance with other assistance services under County Boards of Welfare, and under supervision of State Department of Public Assistance.
- (9) Illinois, Rev. Stat. 1935, Chapter 23, Section 109-117.



## Veterans' Relief

In only four states, besides Pennsylvania, included in this study, is special and separate provision made for the relief of war veterans, as a matter of state policy and administration. These are California, New Jersey, Maryland, and Minnesota. In all these, exclusive responsibility and control of administration in this field are vested in a state authority. In a number of other states, including Massachusetts, Michigan, and Wisconsin, special "county soldiers" relief commissions are given power to perform this service, though in one of these, Michigan, many of these county commissions have turned the responsibility in practice over to the Emergency Relief Administration. In all the other states, relief of veterans is conducted on an individual basis as a part of the regular work of general relief agencies, subject to the same supervision by the state as other general relief activities.

### III. - Relative Financial Responsibility of State and Locality for Public Assistance Services

Many variegated patterns of relationships between state and locality in the financial support of public assistance services are disclosed in the law and policy of the twelve states considered in this study. However, the situation is dominated by two factors, which are determining present trends everywhere. The first is the policy of the United States Government, especially as expressed in the Social Security Act of 1935, which offers strong financial inducement for every state to undertake and sustain, as a part of its permanent program, state-wide services, on a wider and more generous scale than ever before, in behalf of certain groups of its population laboring under special disadvantages, including the needy aged, dependent children, and the blind. The requirement of the Federal law and regulations, that the state must participate financially in these services, that aid must be made available equally in every part of the state to all who are eligible, and that the state itself must accept responsibility for the formulation and efficient administration of a state-wide plan, has led to the widespread financial as well as administrative participation of state governments in forms of assistance formerly treated as strictly local responsibilities.

The second universal dominating factor in the situation is the increasing difficulty experienced by local governments in finding the funds for public assistance on the scale of recent operations, and the consequent necessary acceptance by the states of an increasing share of the burden. The withdrawal of the Federal government from financial support of direct unemployment relief has intensified this difficulty, both for the states and for the local governmental units. On the whole it has apparently proved easier for the state governments than for the localities to raise funds for this purpose, and the result has been a tendency toward expansion of state financial responsibilities in order to afford some relief of the pressure upon the financial resources of local governments.

It is significant, for instance, that in all but three of these states (New York, Massachusetts, and Wisconsin) the state government is carrying complete and exclusive financial responsibility for some one or more of the public assistance services discussed in this report, all of which until relatively recently have been regarded as chiefly local functions. In five of the states (in addition to Pennsylvania) two or more of these services have been taken over by the state. Every one of these Commonwealths at least shares with its local communities financial support of some form of public assistance, and in two-thirds of them this sharing extends to three or more categories of public aid.

## Poor Relief

Traditional general relief remains, more consistently than other forms of public assistance, an exclusively local responsibility on the side of financial support, as of administration. New York and Massachusetts alone, of all these states, contribute financially to the handling of this problem. In both these states this aid in the past has taken chiefly the form of provision for the so-called "unsettled" or "state poor"--in New York<sup>(1)</sup>, through reimbursement of local expenditures in behalf of these recipients of relief, and in Massachusetts<sup>(2)</sup>, in the same way, and in addition, through institutional care at a state infirmary. In New York, also, a new law<sup>(1)</sup>, resulting from the recommendations of the Governor's Commission on Unemployment, commits the State to a reimbursement of local communities for forty per cent of their expenditures for poor relief, as such, as well as for unemployment relief.

## Unemployment Relief

Two of these states, in addition to Pennsylvania, namely, Michigan<sup>(3)</sup> and California<sup>(4)</sup>, are exclusively responsible for the financial support of so-called emergency, or unemployment, relief. Five others share this financial responsibility with local communities (New York<sup>(5)</sup>, Maryland<sup>(6)</sup>, New Jersey<sup>(7)</sup>, Wisconsin<sup>(8)</sup>, and Minnesota<sup>(9)</sup>). Five states, Ohio<sup>(10)</sup>, Florida<sup>(11)</sup>, Illinois<sup>(12)</sup>, Massachusetts<sup>(13)</sup>, and Indiana<sup>(14)</sup> have placed the entire financial burden on their local communities. Of these, Florida, because of constitutional restrictions, has at no time financially supported this service, though the State did until 1936 administer large Federal funds. Indiana and Illinois, on the other hand, shared heavily in support of unemployment relief until 1936, when, after the withdrawal of Federal aid for direct relief, the whole burden was returned to the local communities.

In those states which share the burden with local communities, a variety of plans prevail. Maryland<sup>(15)</sup>, for instance, apportions its State appropriations for relief among its counties according to a schedule of percentages fixed in the law, presumably based upon factors indicating the need for aid and the capacity of counties to provide for those needs. The funds, under the law, are available for purposes other than relief, in the discretion of local fiscal authorities. In all cases, however, up to this time, these State funds have been applied for relief alone, and in a large majority

- (1) New York, Laws of 1936, Chapter 873.
- (2) Massachusetts, Acts of 1936, Chapter 155; General Laws, 1925, Chapter 122.
- (3) Michigan, under S.B. 112, approved June 25, 1937, these costs are shared by the State and County.
- (4) California, an Act of 1937, merging unemployment relief with other relief services has been declared unconstitutional.
- (5) New York, Act of June 5, 1936.
- (6) Maryland, Laws of 1935, Chapter 586; also Chapter 10, (S.B. 86).
- (7) New Jersey, Laws of 1936, Chapter 83.
- (8) Wisconsin, Laws of 1933, Chapter 363; Laws of 1935, Chapter 15, Chapter 286.
- (9) Minnesota, Laws of 1935, Ex. Sess., Chapter 101, House File No. 358, Sections 1-14 inclusive.
- (10) Ohio, by expiration of emergency act on April 15, 1937.
- (11) Florida, See Welfare Act of 1937.
- (12) Illinois, Laws 59th Gen. Ass., 2nd Spec. Sess., page 73.
- (13) Massachusetts, General Laws, Chapter 117.
- (14) Indiana, Laws of 1935, Chapter 116.
- (15) Maryland, Laws of 1937, Chapter 11, Section 40 A.

of counties the State funds are turned over to County Boards of Welfare for administration, under the strict supervision of the State. New York<sup>(1)</sup> reimburses local communities to the extent of forty per cent of their expenditures for unemployment relief, provided local administration is in accordance with rules and standards of the State Temporary Emergency Relief Administration, which will soon be completely merged with the State Department of Social Welfare. Wisconsin<sup>(2)</sup> grants aid to counties on the basis of need (twenty-five counties have received aid within recent months), subject to strict State control of standards and methods of administration. New Jersey<sup>(3)</sup>, which turned the overwhelmingly major part of the financial burden back to its local communities in April, 1936, distributes State aid through a strictly fiscal administration, on the basis of need of local communities, and without State stipulations of standards of operation. Minnesota's<sup>(4)</sup> State share of relief costs is apportioned in accordance with apparent need of local communities, and its administration is strictly supervised by a special relief authority.

#### Old Age Assistance

Of the twelve states under consideration, all but two have accepted some share of responsibility for financial support of old age assistance. Three (Ohio<sup>(5)</sup>, Illinois<sup>(6)</sup>, and Michigan<sup>(7)</sup>) carry the total burden, as does Pennsylvania<sup>(8)</sup> except, in this State, for administrative costs, which the counties now share. Seven states (New York<sup>(9)</sup>, Massachusetts<sup>(10)</sup>, Maryland<sup>(11)</sup>, New Jersey<sup>(12)</sup>, Wisconsin<sup>(13)</sup>, California<sup>(14)</sup>, and Indiana<sup>(15)</sup>) divide the financial cost with the local governmental units. Florida<sup>(16)</sup> and Minnesota<sup>(17)</sup> place the entire burden upon local communities.

The basis of financial partnership between state and locality in this field varies widely among the states, though in all of them, the Federal government pays half the cost of old age assistance, up to a maximum of \$30 per recipient per month. In California and New York, the other half of the cost is

- (1) New York, Laws of 1936, Chapter 873.
- (2) Wisconsin, *supra cit.*
- (3) New Jersey, *supra cit.*
- (4) Minnesota, Laws of 1935, Ex. Sess., Chapter 101, House File No. 358, Sections 1-14 inclusive, modified by Chapter 89, Spec. Sess. Laws of 1937.
- (5) Ohio, Laws of 1935, (1st Ex.) H.B. 558, 605, 610, 646, (General Code, Sections 1359 et seq.)
- (6) Illinois, Smith-Hurd Rev. Statutes (1936 Supp., Chapter 23, Section 40-429).
- (7) Michigan, see footnote 1, page 103.
- (8) Pennsylvania, Public Assistance Law, approved June 24, 1937 eliminates all financial obligation of local government for old age assistance.
- (9) New York, Laws of 1936, Chapter 693.
- (10) Massachusetts, Laws of 1936, Chapter 436.
- (11) Maryland, Laws of 1936, Chapter 149, (S.B. 10).
- (12) New Jersey, P. L. of 1936, Chapter 31.
- (13) Wisconsin, Laws of 1935, Chapter 554.
- (14) California, Laws of 1936, Chapter 7, (A.B. 7).
- (15) Indiana, Laws of 1935 (1st Ex.) Chapter 3; Laws of 1936, Chapter 4; Laws of 1937, Chapter 41.
- (16) Florida, Laws of 1935, Chapter 17141, 17477; superseded by Welfare Act of 1937.
- (17) Minnesota, Laws of 1935 (1st Ex.) Chapter 95; amended by Laws of 1937, Chapter 55.



shared equally between the state and the locality, each paying one-fourth of the total. In New Jersey, the State pays three-eighths and the county one-eighth; in Wisconsin the State's share is thirty per cent, the county's share, twenty per cent. In Massachusetts, the county bears the larger share, one-third, the State one-sixth, the Federal fund paying the other half of the cost.

The contribution of the Federal government for administrative costs, amounting to five per cent of its total grant, is used in different ways by different states. Usually, as in Massachusetts, New Jersey, and New York, it is shared equally by state and local governments. Elsewhere, as in California, the state retains the entire amount to pay its own costs of supervision, or, as in Wisconsin, passes the whole amount along to the counties to pay for local administrative costs.

#### Aid to Dependent Children in Their Own Homes

None of the twelve states herein considered has accepted exclusive financial responsibility for the rapidly developing program of aid to dependent children in their own homes. Seven of these states, in addition to Pennsylvania (namely, Massachusetts, Illinois, Wisconsin, New Jersey, New York, Minnesota, and California) share this responsibility with local communities. Five have placed the burden exclusively upon local units of government. These are Ohio, Maryland, Michigan, Florida, and Indiana.

In the states which have established a financial partnership with the localities in this field of service, there is much variety in the plan of participation. Neither Illinois<sup>(1)</sup> nor Minnesota<sup>(2)</sup> has yet brought its laws into conformity with Federal requirements. Illinois distributes State aid to counties partly on the basis of population and partly on the basis of need; Minnesota has promised to match local and Federal funds, when the State's plan is accepted.

Wisconsin<sup>(3)</sup> and Massachusetts<sup>(4)</sup>, like Pennsylvania, share equally with the local governments and with the Federal government (up to the maximum of the Federal grant), the total outlay for assistance to dependent children in their own homes. In both these states, the state's contribution is in the form of reimbursement of local expenditures, in accordance with State and Federal standards. In both these states, also, the full Federal contribution is passed on to the local unit, including the allowance for administration costs, the state itself bearing the cost of state supervision, and the local units, with Federal aid, bearing the cost of local administration. In New

- (1) Illinois, Smith-Hurd Rev. Statutes (1935) Chapter 23.
- (2) Minnesota, Laws of 1935, Chapter 57, Chapter 236; superseded by Chapter 438, Laws of 1937.
- (3) Wisconsin, Laws of 1935, Chapter 282, 554.
- (4) Massachusetts, General Laws, Chapter 118, amended by Laws of 1936, Chapter 413.



Jersey<sup>(1)</sup>, the plan is similar, except that administrative costs are also equally apportioned. In California<sup>(2)</sup>, a somewhat different rule is followed. There the State reimburses the counties for expenditures for these purposes in an amount not exceeding \$10 per month per child. Counties may, but need not, match or supplement the State grant. Federal aid is divided between State and county in proportion to the State and local appropriations for children entitled to Federal assistance. State and locality bear their own administrative expenses, with Federal aid for this purpose similarly apportioned between them.

In Michigan<sup>(3)</sup>, where, under a temporary plan accepted by the Social Security Board, Federal aid is distributed and supervised by the State Welfare Emergency Relief Commission, legislation is now under consideration to consolidate this organization with other functions of the State Welfare Emergency Relief Commission in a permanent State Department of Social Welfare, and to stabilize aid to dependent children in their own homes on the basis of an equal financial partnership between Federal, State, and local governments. The same distribution of financial responsibility exists in Ohio.

Florida<sup>(4)</sup> has not yet proposed a State-wide plan acceptable to the Federal Social Security Board.

#### Aid to Dependent Children in Foster Homes and Institutions

By far the most common practice in financial support of care of dependent children in foster homes and institutions is for state and local governmental units to share the expense in some fashion. None of these States carries the whole burden itself, and only four throw the whole cost upon the local community (New York, Illinois, Ohio, and Indiana). Pennsylvania limits its aid to lump sum subsidies to children's homes and child-placing agencies, by far the larger part of the care of individual children being paid for by local poor boards or county authorities. Maryland makes similar provision. California makes per capita payments to such institutions and agencies, which may be matched from local public funds. Florida makes no public contributions to this service, either State or local. Michigan makes no State payments, but local governments contribute. Massachusetts and Minnesota have developed extensive State-administered and State-paid services for the placement and supervision of dependent children in foster homes, and the latter conducts a State institution for some of these children. Other and similar services are conducted and paid for by local governmental units. New Jersey as a State shares equally with its counties the cost of maintenance of these dependent children, and pays the total cost of administration, which is conducted through its own State organization. Wisconsin maintains a State school for some of these children, but the remainder are provided for through local funds.

(1) New Jersey, Laws of 1936, Chapter 33, 43.

(2) California, Deering's Political Code, (1931) Sections 367 c, d, 2283-2290, Laws of 1935, 2239.

(3) Michigan, See Act of June 25, 1937.

(4) Florida, Laws of 1935, Chapter 17141, 17477, superseded by Welfare Act of 1937.

## Blind Assistance

Four of the twelve States, in addition to Pennsylvania(1), carry the whole burden of assistance to the blind (Massachusetts(2), Minnesota(3), Michigan(4), and Indiana(5)). Of these, Minnesota has not yet provided a plan acceptable to the Social Security Board, administration of the program, by the State government directly, not having yet covered the whole State. Three of the states place the entire financial load upon local governmental units, Maryland(6), New Jersey(7), and Florida(8) which is without a plan acceptable to the Federal authorities.

The remaining states, Ohio(9), Illinois(10), New York(11), Wisconsin(12), and California(13), share the responsibility in various ways and proportions with their local units of government. California, which permits grants up to \$50.00 per month per blind person, shares equally with the counties the cost of these grants beyond the \$15.00 per month maximum grant per person, which is contributed by the Federal Government. The State Government retains for payment of its own supervisory expenses the additional five per cent Federal grant for administrative costs. Illinois, whose plan has not yet been accepted by the Federal Social Security Board, proposes to reimburse the counties for half their total expenditures for this purpose, both State and local funds being dependent upon special property taxes levied for the purpose. In New Jersey and Ohio, the actual grants are paid by the county, reimbursed from Federal funds for half the cost; the State, with the aid of the Federal grants for administrative expense, pays the entire cost of administration. In Wisconsin the half of the total cost not borne by the Federal Government, is divided between the State and the county, the State carrying thirty per cent of the total, the county bearing twenty per cent of it. The total Federal grant for administrative purposes goes to the county for the payment of personnel. In Michigan, the State and the county usually share the half of the cost not paid from Federal funds in the ratio of sixty to forty, though especially distressed counties may receive greater State aid. In New York State and county share equally the half of the total cost not borne by the Federal Government.

- (1) Pennsylvania, Public Assistance Act of June 24, 1937.
- (2) Massachusetts, General Laws, Chapters 15, 69, amended by Chapter 413, Laws of 1936.
- (3) Minnesota, Laws of 1935, (1st Special Session) Chapter 93; superseded by Chapter 324, Laws of 1937.
- (4) Michigan, Act of June 25, 1937.
- (5) Indiana, Laws of 1936, (1st Ex.) Chapter 3.
- (6) Maryland, Laws of 1936, Chapter 145.
- (7) New Jersey, Laws of 1936, Chapter 30.
- (8) Florida, Laws of 1935, Chapter 16804; modified by Welfare Act of 1937.
- (9) Ohio, Laws of 1935 (1st Ex.) H.B. 611.
- (10) Illinois, Smith-Hurd Revised Statutes, 1935, Chapter 23.
- (11) New York, Laws of 1935, Chapter 531; modified by Chapter 15, Article 13, Laws of 1937.
- (12) Wisconsin, Laws of 1935, Chapter 554.
- (13) California, Laws of 1936, Chapter 6.

## Veterans' Relief

Six of these States, (Ohio, Maryland, New Jersey, Minnesota, Florida, and Indiana) in addition to Pennsylvania, carry the whole burden of veterans' relief. Four states share this burden with the local governmental units (New York, Massachusetts, Illinois, and California). In only seven states, in all, are separate funds, earmarked for this purpose, made available; in all others this service is a part of general or unemployment relief.

### IV. - Form of State Administrative or Supervisory Organization

Two questions of special importance in the organization of state administrative authority in public assistance have been matters of continual debate and experiment throughout the country over many years:

(a) Shall the responsibility for administration of state functions rest with a single individual, as executive head of an administrative department, or shall it be lodged in a board of citizens? If the former, shall the executive have the advice and assistance of a lay board? If the latter, shall the administrative board consist of a few full-paid, full-time members, or shall it consist of a larger number of citizens giving part of their time and reimbursed only for their expenses?

(b) Shall the state's responsibilities for "home relief" or assistance services be consolidated with all other state activities for underprivileged or handicapped persons needing public care, or shall they be separated from other so-called welfare functions, in an independent department devoted to this particular function alone? That is to say, shall services for public assistance, institutional and non-institutional alike, including correctional institutions, mental health institutions and agencies, as well as care of other dependents, at home or elsewhere, be administered or supervised through one consolidated authority in the state government, or shall several more specialized and more independent agencies divide these responsibilities? The policy and practice of these twelve States vary widely with respect to both of these problems.

(a) Departmental Organization. Four of these States now have departments headed by single executives, cabinet officers appointed by the governor, in the same way as all other heads of departments. These are Massachusetts<sup>(1)</sup>, Illinois<sup>(2)</sup>, Michigan<sup>(3)</sup>, and California<sup>(4)</sup>\*. In each of these States there is, however, an advisory or semi-administrative board of citizens, also appointed by the governor, usually for overlapping terms, cooperating with the department executive in the formulation of policies.

(1) Massachusetts, General Laws, Chapter 18.

(2) Illinois, Smith-Hurd Revised Statutes, Laws of 1931.

(3) Michigan, Act of June 25, 1937, supersedes this system.

(4) California, Political Code, 1927, as amended, Section 367 b.

\*The State Board of Social Welfare of California is, however, nominally the head of the department.

Minnesota<sup>(1)</sup> and Wisconsin<sup>(2)</sup> have small paid "boards of control", directly responsible for administration of State functions, with an executive chairman elected from its own membership and additional secretary and agents of the board.

All the other States, including New York<sup>(3)</sup>, New Jersey<sup>(4)</sup>, Ohio<sup>(5)</sup>, Maryland<sup>(6)</sup>, Florida<sup>(7)</sup>, and Indiana<sup>(8)</sup>, have created unpaid, multi-member boards, usually known as State Boards of Social Welfare or of Public Welfare, responsible for the formulation and enforcement of State policies, standards, and rules of administration. In each of these instances, the chief administrator is appointed by this Board, either for a fixed term or at the Board's pleasure.

Developments of the last few years have indicated a continuance of divergent views upon this problem. Special investigating commissions in New York<sup>(9)</sup>, Ohio<sup>(10)</sup>, and Wisconsin<sup>(11)</sup> have recently recommended reorganization of State services in this field under departments headed by single executives appointed by the governor. On the other hand, similar studies in Maryland<sup>(12)</sup>, Florida<sup>(13)</sup>, Illinois<sup>(14)</sup>, Indiana<sup>(15)</sup>, and Michigan<sup>(16)</sup>, as well as less extensive studies in some other states, have urged reorganization under administrative boards. The recommendation of the New York Commission was not accepted in this matter by the Legislature. The contrary recommendation in Illinois was not accepted.

- (1) Minnesota, Mason's Statutes, 1927, Chapter 25, Section 4398.
- (2) Wisconsin, Statutes, 1927, Section 46.01.
- (3) New York, Laws of 1936, Chapter 873, 874; Laws of 1937, Chapters 358, 544.
- (4) New Jersey, Laws of 1929, page 31, Section 34-71.
- (5) Ohio, Session Laws of 1927, page 359; General Code, Sections 154-157.
- (6) Maryland, Laws of 1935, Chapter 586.
- (7) Florida, State Welfare Act of 1937.
- (8) Indiana, Laws of 1936, Chapter 3 (H.B. 564).
- (9) New York, see "State and Local Welfare Organization in the State of New York", a summary, with recommendations, of report of Governor's Commission on Unemployment Relief, 1936.
- (10) Ohio, see State Government Survey, Eleven Sections of Committee on Welfare Department Survey, 1935.
- (11) Wisconsin, Report of Citizen's Committee on Public Welfare, 1936.
- (12) Maryland, see Report of Social Welfare Survey Commission, 1930; also Report of Committee on State Policy and Revenue for Aid to the Needy, 1936.
- (13) Florida, See Social Welfare in Florida, Report of Survey by Emma O. Lundberg, 1934.
- (14) Illinois, see Report of Governor's Commission on the Relief Problem, 1935.
- (15) Indiana, see Report of Indiana State Committee on Governmental Economy, 1935; also Report of Special Commission on Public Welfare, 1934.
- (16) Michigan, see Report of Welfare and Relief Study Commission, 1936.



Interesting differentiations in the relation of board to executive appear in the twelve States considered in this study. In a number of states effort has been made to establish adequate direct administrative responsibility under single authoritative leadership, by placing the initiative for plans and policies in the hands of the executive officer, even where the board has legal administrative control, thus confining board action to approval, disapproval, or modification of the executive's proposals, and charging the executive with clear responsibility for management of personnel and other administrative operations. This is particularly true of New York, New Jersey, Indiana, Maryland, and Florida. This pattern prevails, of course, in all the states in which the cabinet-executive type of organization exists. In a number of other states, notably Ohio, the administrative responsibility of the executive is less clearly defined, and the board tends to exercise more complete initiative and control, with the executive as its responsible agent and representative.

As a rule, in all the states, the boards, whether definitely limited to advisory functions, or sharing some administrative responsibilities, are expected to pass upon matters of policy, standards and objectives of administration, to give rules and regulations of the department the sanction of their support and approval, to study and interpret the operation of laws and policies and to advise the governor, the Legislature, and the public on the problems within the department's province. Often, especially in recent years, a quasi-judicial function of affording disinterested review of administrative actions, and of deciding appeals, has been commonly vested in these citizen boards.

(b) Consolidation or Separation of Welfare Functions. Similar divergence is found among these states, with respect to the distribution or consolidation of welfare functions among state authorities. One step in consolidation has been almost uniformly taken in recent months. Where temporary emergency unemployment relief organizations have existed in the state government, these are rapidly being merged with permanent departments of government. This has occurred in New York<sup>(1)</sup>, Ohio<sup>(2)</sup>, Wisconsin<sup>(3)</sup>, and Florida<sup>(4)</sup>. In Maryland, Massachusetts, and Minnesota, emergency relief from the beginning was administered by a permanent department. In Illinois<sup>(5)</sup>, where unemployment relief has been turned back to the local communities, the temporary administration continues, but only as a certifying body without supervisory duties, which are now exercised in some measure by the permanent Department of Public Welfare. A similar development has taken place in New Jersey<sup>(6)</sup>, where a special Relief Finance Commission superseded the former emergency relief administration, but only for the purpose of allocating State aid to local governments.

- (1) New York, Laws of 1936, Chapters 873, 874; also Laws of 1937, Chapters 358, 544.
- (2) Ohio, Division of Public Assistance, in Department of Welfare, created by administrative order, for purpose of coordination with State Relief Commission (now abolished).
- (3) Wisconsin, Executive Order No. 5, February 19, 1936, designates Public Welfare Department within Industrial Commission as agency discharging relief responsibility, and transfers to the chairman of Industrial Commission responsibility for disbursing Federal relief funds and commodities.
- (4) Florida, Social Welfare Act of 1935, superseded by State Welfare Act of 1937 (S.B. 1111).
- (5) Illinois, Laws, 59th Gen. Ass. (1935) 2nd Spec. Sess., p. 73.
- (6) New Jersey, Laws of 1936, Chapter 83.

The State Welfare Emergency Relief Commission of Michigan<sup>(1)</sup> has recently been given wider responsibilities for supervision and administration of public assistance in which the Federal Government participates, but may be superseded, under pending legislation, in all its functions by a permanent Department of Social Welfare, in general accord with the recommendations of a special investigating committee. Only in Indiana, among states recently reorganized as to their public welfare activities, has emergency relief been allowed to remain, temporarily, outside the province of a permanent department. With this single exception, all advisory and investigating committees in these states have recommended such consolidation.

Less uniform developments have occurred in the relationship of state functions in the field of home relief or assistance to other public welfare functions of the state governments. In general, the larger, more highly organized states have tended to divide administration of public welfare functions among several independent authorities. This is true of New York, Massachusetts, Maryland, Michigan, and California. In the first four states mentioned in this list, mental health institutions and activities, and correctional institutions and agencies, are each under separate departmental leadership, while supervision of local public institutions and of home assistance is under the jurisdiction of a separate department.

In California, the division of authority goes still further. There, in addition to the State Department of Welfare, which has responsibility for supervising or administering local institutional and non-institutional public assistance, and the Department of Institutions, which is responsible for supervision of institutions and activities for the mentally ill and defective and for juvenile delinquents, two independent bodies divide responsibility for certain other functions in the correctional field. One of these grants paroles and determines sentences in certain cases of delinquency. The other manages State prisons and conducts parole supervision. In Massachusetts, also, a separate commission supervises probation.

Wisconsin also has a special distribution of welfare functions. A State Board of Control administers all State institutions for delinquents, for defectives and the mentally ill, for children, for the handicapped, and for the tuberculous; supervises local institutions and activities for these groups and for the poor; supervises probation and parole and the care of certain dependent and neglected children. A State Pension Department, within the Industrial Commission, supervises old age assistance, blind pensions, and aid to dependent children, under the plan of State-local-Federal cooperation, and administers Federal and State funds for these purposes. A Department of Public Welfare (formerly within the Industrial Commission) discharges the State's functions with respect to general and emergency relief. It is interesting to note that a recent report of a special investigating committee of citizens recommends the redistribution of these functions among three new executive departments, to be known respectively as the Department of Public Welfare, the Department of Mental Hygiene, and the Department of Corrections.

Michigan's Department of Welfare supervises State institutions and local institutions and general relief agencies, while the State Welfare Emergency Relief Commission administers or supervises unemployment relief, as well as all forms of Federal-aided categorical assistance. A recent

(1) Michigan, Act of June 25, 1937, creates Department of Social Welfare, as proposed.

report of an investigating committee recommends the creation of three new departments, Public Welfare, Mental Hygiene, and Corrections<sup>(1)</sup>.

A number of states, notably New Jersey<sup>(2)</sup>, Ohio<sup>(3)</sup>, Illinois<sup>(4)</sup>, Florida<sup>(5)</sup>, and Indiana<sup>(6)</sup>, combine all major welfare activities of the states, including public assistance supervision and administration, under one single department, with the exception, in certain instances, of some remnants of emergency relief functions heretofore referred to.

#### V. - Form of Local Administrative Organization

The widest possible variation is to be found in the form and structure of the governmental bodies responsible for administration of public relief and assistance in local communities in the twelve States under consideration in this study. Not only among the several states, but within each one, these differences are enormous. Not a single one has a uniform pattern. This is due, of course, to the accidental, unplanned growth of local public organizations to meet emerging problems, which varied in volume and intensity from place to place. Special enactments, applying to single or to a few communities, piled up on the statute books in Pennsylvania<sup>(7)</sup>, for instance, and in some other states. In the absence of such special laws, the principle of home rule, deeply rooted in the American law and tradition, allowed local communities to manage these affairs, as all others, in their own discretion. This situation in public relief and assistance reflects the general lack of uniformity and standardization in all local government throughout the country.

One common historical fact underlies these developments. Local responsibility for all public assistance is the original basis of all public policy in this field, and this responsibility is typically discharged by locally elected public officials. In most states, these functions, like most others, were originally accepted, for the most part, by the towns and villages, county governments being less important in the beginning. In recent years, however, in most states outside of New England, counties have tended to acquire increased powers at the expense of the smaller municipal districts. In the beginning, also, public relief and assistance was generally an undifferentiated function of the public authorities responsible for all local governmental affairs, variously known as the "trustees", the "supervisors", or the "commissioners", of the town or county. Gradually, as the relief problem grew in importance, in many states more or less specialized authorities were created to deal with it, sometimes independently elected or appointed, sometimes appointed by and responsible to the general local governmental body.

As the state government assumed more and more authority for special assistance services, and also for enforcement of more or less uniform statewide policy in the whole field, there has been a tendency, on the one hand,

- (1) Michigan, Act of June 25, 1937, creates these departments.
- (2) New Jersey, Laws of 1918, Chapter 147; Laws of 1936, Chapter 83.
- (3) Ohio, General Code, Sections 154-157.
- (4) Illinois, Civil Administrative Code, Section 53.
- (5) Florida, Social Welfare Act of 1935, superseded by State Welfare Act of 1937, (S.B. 1111).
- (6) Indiana, Laws of 1936, Chapter 4 (H.R. 564).
- (7) Pennsylvania, see Report on "Poor Relief Administration in Pennsylvania", State Department of Welfare, 1934, Bulletin No. 61, page 191, Part V.



to set up additional local specialized agencies to take over certain particular forms of service, and, on the other to reorganize and coordinate, on more simple and uniform lines, the existing local bodies responsible for general programs of relief and assistance. This has added somewhat to the heterogeneity of local organization in this field, since oftentimes these changes were made optional with the local community, so that new organizations functioned side by side with the old.

#### County Unit Versus Town Unit of Administration

Three of the states included within this survey administer local public assistance exclusively through county units. These are Maryland, Minnesota, and California. In Massachusetts alone, local administration is exclusively the function of the town or village. In all other states, local administrative responsibility is divided between the county and the towns, villages, and cities. In most of this latter group of states, the smaller municipal districts are responsible principally for what is known as "poor relief" or "general relief" only, and in some instances, by recent action, for unemployment or emergency relief. Other functions, including the newer forms of public assistance in which, generally, the state participates, such as aid to dependent children in their own homes (mothers' assistance), old age assistance, and assistance to the blind, are almost uniformly administered through county units.

#### Generalized Versus Specialized Administrative Organizations

Five of the states considered in this survey administer assistance service only through organizations whose functions are not confined to particular forms of this service but cover the whole field. These are Maryland<sup>(1)</sup>, New Jersey<sup>(2)</sup>, California<sup>(3)</sup>, Florida<sup>(4)</sup>, and Indiana<sup>(5)</sup>. Massachusetts<sup>(6)</sup> also falls in this group, if veterans' relief be disregarded. Four of these six states (Massachusetts<sup>(7)</sup>, Maryland<sup>(8)</sup>, California<sup>(9)</sup>, and Indiana<sup>(10)</sup>) have provided for the establishment of county or district "boards of welfare", to which most of these functions have been or may be assigned, although in California and Indiana, general relief is also still administered, in whole or in part, by the elected general boards of trustees or supervisors of the county and town, respectively. Florida<sup>(11)</sup> has recently created district boards of welfare, which now universally administer old age assistance, commodity relief, and child welfare services, but to which counties may assign all other relief responsibilities, formerly administered by unspecialized local governmental bodies. This assignment is rapidly taking place. In New Jersey<sup>(12)</sup>, administration of general relief is still divided between county boards of welfare (in two counties) and the general township authorities (in nineteen counties).

- (1) Maryland, Laws of 1935, Chapter 586.
- (2) New Jersey, Laws of 1918, Chapter 147; Laws of 1936, Chapter 83.
- (3) California, Laws of 1931, Chapter 608.
- (4) Florida, Social Welfare Act of 1935, (superseded by Act of 1937, S.B. 1111).
- (5) Indiana, Laws of 1936, Chapter 4 (H.R. 564).
- (6) Massachusetts, General Laws, Chapter 117.
- (7) Massachusetts, supra cit.
- (8) Maryland, supra cit.
- (9) California, supra cit.
- (10) Indiana, supra cit.
- (11) Florida, supra cit.
- (12) New Jersey, supra cit.



In the other states (as in Pennsylvania) one or more specialized local bodies have been added to old agencies of general relief. In New York<sup>(1)</sup>, county boards of child welfare administer mothers' aid (aid to dependent children in their own homes) in most counties, though this function is merged with other assistance services in one county. Assistance to the blind is also separated from other assistance and administered by the general governing authorities of the counties and of New York City. Emergency relief has been committed to the general welfare departments of counties, towns and cities. Recent legislation, in fact, has definitely concentrated practically all assistance services in local welfare departments, with strong encouragement for the creation of only county-wide units of administration.

Ohio<sup>(2)</sup> and Illinois<sup>(3)</sup> place aid to dependent children under the exclusive jurisdiction of the judge of the Juvenile Court, practically all other functions of local administration being left in the hands of the county or township commissioners, though Ohio allows local communities to make still further specializations, by setting up special boards of child welfare, boards of trustees of various types of institutions (usually responsible to the county commissioners) and "voluntary boards of assistance", to cooperate with the judge and other local authorities in the coordination of local services.

Wisconsin<sup>(4)</sup>, while leaving general relief and emergency relief in the hands of generalized local authorities (county and municipal commissioners and trustees) has encouraged those authorities to create "county pension departments" to administer aid to dependent children, blind assistance, and old age assistance. In the absence of such a "county pension department", aid to dependent children is the function of the Juvenile or county Court. Veterans' relief is also administered by a separate local body.

In Michigan<sup>(5)</sup>, both mothers' aid and old age assistance are administered by specialized agencies, the former by the Probate Court, the latter by a County Old Age Assistance Board. Veterans' relief is also administered separately by another special local board. All other local functions are exercised by the county board of supervisors, a generalized authority. Minnesota<sup>(6)</sup> separates only aid to dependent children and veterans' relief from other local assistance functions, the former being administered by a county child welfare board, assisting the Juvenile Court, the latter by a special agent of the State Soldiers' Home Board.

#### Election Versus Appointment of Local Administrative Bodies

While the original bodies for administration of general relief or poor relief were almost uniformly elected, and while this still remains true of these bodies, where they also administer other governmental functions, most of the more recently created specialized welfare organizations now owe their authority to appointment, rather than election.

- (1) New York, General Municipal Law, (1923) Article 7a, Chapter 26, also Chapter 15, Article 18, Laws of 1937.
- (2) Ohio, Laws of 1936, H.B. 610; General Code, sections 1359, et seq.
- (3) Illinois, Smith-Hurd Revised Statutes, (1929) Chapter 23. (Act of June 30, 1913, as amended).
- (4) Wisconsin, Statutes, Sections 49.01, 49.03, 49.15.
- (5) Michigan, Acts of June 25, 1937, supra cit., supersedes these provisions.
- (6) Minnesota, Mason's Statutes, Chapters 15 and 73A, Sections 8671-8683; amended by Chapter 438, Laws of 1937.

Thus, in Wisconsin, California, and Florida, where general county boards of welfare are authorized, they are appointed by the county commissioners. In Illinois and Indiana, they are appointed by the county court. In New Jersey, two members of such a board are appointed by the county board of freeholders, two freeholders and the county adjustor constituting other ex-officio members of the board. In Michigan<sup>(1)</sup>, the County Old Age Assistance Board is composed entirely of public officials elected or appointed to other public office.

In Minnesota the county child welfare board is appointed by the State Board of Control; in New York, by the County Judge or, in New York City, by the Mayor; in Ohio, by the county commissioners. Maryland operates on a unique plan, which divides responsibility for appointment of local boards between the State and the local government. There, appointments are made by the county commissioners from a list (containing twice the number of names to be chosen) submitted by the Board of State Aid and Charities. One county commissioner also is a member of the local board. Only in Massachusetts, of these twelve states, are local special boards of welfare elected by the voters.

It is also significant that in nine of these twelve states, all functions not transferred to appointed special welfare boards, are administered by county commissioners or town commissioners, who have general authority over the whole local government. Only in Massachusetts and New Jersey is general relief administered by separately elected officials, while in Maryland all functions are administered by appointive bodies.

#### Appointment of Administrative Personnel

Eight of the twelve States considered in this survey operate under state-wide merit systems<sup>(2)</sup> in the selection and appointment of the administrative personnel, including employees of the state departments having responsibility in the field of public assistance. These are New York, Massachusetts, Ohio, Illinois, Maryland, New Jersey, Wisconsin, and California (except, in the last-named State, for the employees of the State Emergency Relief Administration). In addition, the State Emergency Relief Commission of Michigan, as, also, that of Pennsylvania; the State Board of Social Welfare of Florida; and the Department of Public Welfare, together with certain other departments, of Indiana, are operating under voluntary merit systems. Only one of these twelve States, then, has not applied the merit system to all or to a major part of the state's activities in this field.

In three of the States, New York, Massachusetts, and Ohio, all county employees, including those concerned with public assistance; in Illinois, the employees of Cook County (Chicago); in New Jersey, employees of eight counties, in California all employees of four counties, and in Wisconsin, employees of Milwaukee County, are also appointed under the merit system, while the Maryland law requires employees of the county boards of welfare to be appointed under the state-wide merit system.

(1) Michigan, Acts of June 25, 1937, supra cit., supersedes these provisions.

(2) See Report of Special Advisory Committee of Pennsylvania Committee on Public Assistance and Relief, on "A Merit System for the Public Assistance Services of Pennsylvania" submitted April 15, 1937.

## VI. - Summary and Conclusions

It is clear from examination of the developments in these States, whose problems of public assistance are comparable in extent and character with those of Pennsylvania, that no single pattern of state or local administration has yet emerged which can be acclaimed with certainty as the best and most practicable plan. Experiments are still in progress everywhere; a period of rapid expansion and transition in public assistance policy and program has set in, whose final outcomes cannot be foreseen.

Certain present trends are clear, however, about which there has been sufficient experience to warrant fairly confident conclusions, and which form the basis of this Committee's recommendations with respect to this subject.

### (1) State Participation

There is clear evidence of increasing recognition of the need for state-wide policy and for participation of the state government in the administration or supervision of practically every part of the public assistance program.

The logic of this principle is obvious. The causes of dependency are not strictly local and cannot be controlled by local action alone. The consequences of the treatment or neglect of need are not confined by local boundaries. They impose dangers and costs upon the citizens of other communities, indeed of the whole state. The state, which has an interest in the welfare of all its citizens, which owes to them all an equality of care and protection, and which, far more readily than any local government, can cope with the causes of distress, inevitably expresses its responsibility through continual oversight and through leadership in suitable preventive and remedial action. The accident of geographic residence on one side or another of a local boundary line cannot be allowed to determine the fate of unfortunate citizens of the state.

Furthermore, as the pressure of public expenditures against available resources continues to grow, (and governmental activities are expanding in other directions, as well as in the field of public assistance), new sources of support through taxation are sought. The state, on the whole, is in a better position to find and use equitable and productive methods of taxation, than are local communities, which are largely dependent upon property taxes alone. With the contribution of funds derived from state-wide taxation, inevitably a measure of state control is associated.

This control takes four principal forms: (1) promulgation and enforcement of state-wide standards as to the conditions under which people are to receive assistance, and the extent and kind of assistance they are to receive; (2) determination of the form of records and reports to be used by local administrative agencies, and the collection and interpretation by the state authorities of the information thus derived, in order that an accurate current picture of the problems and processes of public assistance on a state-wide basis may be clearly seen and understood by the people of the state; (3) determination of the essential procedures to be followed by local administrative agencies in relief investigation and administration, and of the essential qualifications to be required of the administrative personnel, in order that the foregoing state policies and standards may be surely and continually applied; (4) visitation, inspection, and educational guidance of local administration, by representatives of the state, to insure mutual understanding and effective cooperation between state and local authorities in all these matters.



## (2) Local Participation and Flexibility

Equally widespread is the continual responsible participation of representatives of the local community in public assistance administration, in order that state standards and policies may be flexibly and practically adapted to the conditions of various different communities, and, especially in order that the state may have the benefit of the constructive advice, based upon experience and understanding, of representatives of its various local communities in the formulation of its own policies.

In every single state this principle is acted upon, but in various ways and degrees. The satisfactory balance between local autonomy and state standardization is nowhere achieved. Two facts, however, stand out in bold relief: First, that the traditional complete autonomy of local authorities, represented most consistently in the administration of so-called poor relief, is passing away; all these services are being brought under the supervision of state authorities. Second, that centralized direct administration of so-called home relief or assistance by state authorities, developed chiefly in the recent emergency, is also being discarded. These two extremes of policy are giving way to a more complete partnership between state and locality in every branch of public assistance administration.

The problems of defining and sustaining this partnership on a sound and workable basis have not yet been solved. The most effective advances have been made in those states where emphasis has been placed upon continual consultation between state and local authorities, rather than upon strict legal formulations and the exercise of compulsion; where growth of mutual understanding has been sought, rather than immediate agreement on pre-conceived policies; where more dependence is placed upon the development of the spirit and purpose of cooperation than upon the operation of particular mechanisms or the uniform strict fulfillment of particular rights and prerogatives. Unwarranted provincialism on the one hand, and undue centralization on the other, cannot be destroyed; they can only disappear under the steady erosion of an experience in which they are found to be obstructive and harmful.

## (3) State Departmental Organization

Specialization. The evidence seems to indicate that in the most populous states, in which the problems of public home assistance are vast and far-flung, there is advantage in putting them under separate leadership, at least for the time being. Though the dangers and disadvantages of this plan are obvious.

Ideally, the treatment and service of persons in need should be as elastic as possible; there should be the fewest possible barriers and delays in the provision of service, and in the change of treatment from time to time, as conditions require. The same individual may at one time need specialized institutional care, and at other times may profit from home assistance. To place one form of care under one authority, and another kind under a different one, may tend to raise barriers and cause delays, rather than remove them.

Yet, especially in this period of transition and slow stabilization in public assistance policy, there is reason to believe that to combine the handling of this problem with that of the somewhat different technical problems of mental health, corrections, and institutional care, under the general direction of a single administrator or administrative board, is to run great risk of having one or another of these tasks suffer from inattention or lack of interest. Different services demand different skills and command different types of interest. Each will profit, in these times of



growth and change, from the undivided thought of the most competent specialists available.

That there should be constant cooperation and counsel between those who are responsible for all phases of the welfare program, is obvious. That the barriers to flexible treatment of individuals should be beaten down, as largely as possible, is equally clear. It is not impossible to do this, even with administration divided between several departments. The more competent the specialist at the head of each department, the more surely will he appreciate the problems and difficulties of his colleagues in other fields, and the more quickly will he respond to the need for interdepartmental cooperation.

Board Type of Organization. In the interest of continuity of policy and the exclusion of purely partisan influence upon public welfare administration, the so-called "board type" of departmental organization has been adopted in many states, the executive officer of the department being appointed by, and responsible to, a citizen board, whose overlapping terms of office afford protection against direct control or undue interference by a partisan-minded governor.

It is often overlooked that this type of organization also makes for divided authority and irresponsibility, by placing administrative policy in this field beyond the direct influence of even an overwhelming public opinion and by potentially separating this important and costly activity of government from all other functions of state administration.

It is not perfectly clear that this particular branch of administration, more than many others, indeed more than any other, should be thus set apart for special treatment, contrary to the universally accepted trend of the times in public administration, which is toward definite, concentrated responsibility, subject to the usual democratic controls, rewards, and punishments. This separation may, indeed, have two unfortunate results: Its effect upon public welfare administration may be to withdraw it somewhat from the field of active public discussion and to make it appear not as an integral, essential part of the governmental program, but as an appendage, a side-issue, a luxury, about which politicians and active citizens need not be too greatly concerned. Its effect may be, also, to throw other branches of public administration to the political wolves, so to speak, since the failure to afford them the same protections would seem to indicate the lesser importance of disinterested, non-partisan, competent administration in those fields.

There is much to be said, at least, for the proposition that the best protection of the welfare services is to be found in the provision of suitable controls and policies in the whole state administration, such as the introduction of the merit system, rather than in the attempt to quarantine a few services against partisan political infections which are allowed to develop all around them. This is particularly true in view of the fact that partisan politics is not always excluded from intrusion into the welfare services, even in states in which the administrative board type of organization prevails, and obviously cannot be excluded against the will of any governor in Pennsylvania, who, under the Constitution, can remove at pleasure any appointee, either Board member or executive. It has been the existence of a strong public opinion and the good will of governors, administrators, and politicians, not a particular form of organization, that has protected the administration of emergency relief in Pennsylvania, and similar services in some other states, against gross political abuse.

Cabinet Officers and Boards. The single-headed, responsible, cabinet officer type of departmental leadership can, however, be greatly assisted by

the presence of an advisory board, representative of the informed and interested citizenship of the state, regardless of political preference. Such a board can serve, on the negative side, so to speak, as a watch-dog of the departmental administration. On the positive side, it can bring to the administrator the benefit of constructive advice and criticism, based not only on a knowledge of the subject matter of administration, but also on the opinions and feelings of various sections of the state and parts of the public, with respect to the objects and effects of law and policy. It is a selected miniature public, to which the administrator may turn to test the public response to his own proposals and judgments, and through which policies when approved may find influential support and sound interpretation.

The right to pass upon policies and standards of public assistance, which interpret and embody in administrative practice certain broad policies and principles stated in the law, gives such a board an important and valuable quasi-legislative function. Under such a plan laws can thus be framed in broad terms, to be applied flexibly under rules of a board of citizens, in accordance with variations of individual circumstances. The Legislature would be rightly hesitant to lodge such legislative power in a single administrator. Similar powers already exist in the State Board of Health, in the State Industrial Boards, and in the Educational Council in Pennsylvania.

It is important, however, that, once a policy has been approved, such boards should not interfere in direct administrative action beyond the point necessary to inform themselves of the actual administrative operations and their effects. Administrative responsibility itself should be lodged solely with the executive of the department, to whom, in turn, the whole organization is directly and solely responsible for effective performance of duty.

#### (4) Local Organization

Many of the principles applicable to state departmental organization apply equally to local organization, with some necessary adaptations.

Specialization. The separation of public home assistance from certain forms of institutional care, such as almshouses, homes and hospitals for the mentally and physically infirm, is less common, and probably less strictly logical, than the separation of corresponding supervisory functions in the state organization. It has, however, the advantage of avoiding combination of many different technical functions in one local organization, at a time when home assistance alone, in a variety of relatively new forms, requires exceedingly careful planning and direction. If the volume of home assistance declines, as anticipated with the passing of the emergency, a firmly established and stabilized local administrative organization in this field may, if it is found desirable, be readily adapted to the successful management of the whole local welfare program, including necessary forms of public institutional care. Meantime, the line of authority in the two fields, running from the local community to separate departments of the state government, can be kept clear of confusion and duplication by their separation at both ends of the line.

Consolidation. Consolidation of home assistance functions in a single responsible body in the local community is obviously in accordance with nation-wide trends, as well as with logic and reason. By the abolition of several different bodies administering home assistance, with varying degrees of authority and accountability--especially by the elimination of the completely autonomous poor boards--the concentration of all other local public welfare responsibilities in a single body, the county commissioners, who exercise general powers of government in each county, is made possible. This is in accord with the common public welfare practice throughout the states studied, as well as with the generally accepted policy of integrating all local governmental administration as far as possible.

Composition and Functions of Local Boards. The growing partnership of state and locality in the public assistance enterprise, and the necessity for integrating public assistance administrations, state and local, with other governmental activities and outlays, has led to gradual decline in the use of the elective principle in the selection of local administrative bodies. In a majority of states, the policy of appointment of local welfare bodies, usually through locally elected officials, but more and more commonly in ways that give the state government a part in the process, is now in effect.

The principle of modified home rule, with the desire to enlist genuine local participation in administrative responsibility, has led to one difference between the function of the local board and of the state board. In the locality, the board is generally vested with the power of appointment of the local executive, usually subject to state requirements as to qualifications and duties of that executive. From that point forward, however, the same clear distinction between administrative and policy-approving powers as in the state organization is generally recognized. Interference by local boards with the detailed processes of administration and with the selection and management of personnel, beyond the necessary duty of keeping itself thoroughly informed of the operations and results of administration, and the correlative duty of constructively criticising and advising the administration, state and local, is generally deemed harmful and destructive. The same quasi-legislative function as that of the state board, but within the narrower limits of adapting and applying state-wide policy to the local community, belongs to the local board, and with the same ends in view.

County Unit. The use of the county as the smallest unit of administration, rather than the scattered multitude of townships, boroughs, villages, and cities, is in line with the whole trend of recent practice in this country. It obviously simplifies and clarifies administrative problems and organization, especially in the relation between state and local authority. Probably the combination of two or more counties, where conditions and interests are alike and where there is easy intercourse and natural unity of feeling among them, would still further simplify and improve administration. The way should be left open for the formation of these larger districts, where advisable, as in a number of states in recent enactments. Meantime, the operation of the state organization through regional offices, in such matters as lend themselves in this plan, will reap some of the advantages of more complete consolidation, without removing direct administration too far from local communities.

#### (5) Division of Financial Responsibility

State Grants-in-Aid. The most common policy in the financial support of public assistance services is that based upon a partnership of the state and the locality, expressed in what is generally termed the "grant-in-aid" principle. That is to say, the state government undertakes to assist local governments in carrying the financial burden of public assistance, by granting a certain percentage of the total cost, or by distributing a total appropriation among its localities in proportion to certain fixed factors, such as population, number of persons assisted, or the like. Such grants are usually made upon stipulated conditions, involving the application of certain standards and policies of administration fixed by the state and requiring the appropriation of local funds in certain amounts. Indeed, the "grant-in-aid" principle is often depended upon as the chief sanction of state authority in the establishment and maintenance of its standards and policies.

There are other common arguments for such a plan. It is commonly believed, for instance, that governmental authorities are more circumspect



in the use of funds derived from the resources of their immediate constituents. It is commonly thought likely, therefore, that if both state and local funds are employed in public assistance, the administrative authority, which is responsible in a sense to both state and local taxpayers, will have an inducement for most careful and watchful expenditure of funds. Especially where local bodies, far from state headquarters, are to have a large part in determining these expenditures in individual cases of need, the absence of local financial responsibility is widely believed to open the way for reckless handling of other people's money.

There are certain contrary considerations, however. Experience does not seem to prove that those local authorities that have been responsible for expending strictly local funds, especially in the field of public assistance--as, for example, the poor boards in Pennsylvania--have been more watchful in administration or more meticulous in accounting of funds than have those bodies representing state relief boards and administrators, that have expended only state funds. Nor is there evidence that the local public has been more alert in holding its representatives to account for efficient administration of these strictly local funds.

Furthermore, the use of the "grants-in-aid", as the most effective sanction of sound state-wide policy, has its limitations. It imposes the potential threat of withdrawing or withholding funds from local communities that do not meet state standards. This necessarily imposes the more serious threat to withhold suitable aid from persons in need in those communities. This is a dangerous two-edged sword. If sound policy dictates that certain persons should receive assistance, to protect their own welfare and that of the community, the withdrawal of that aid for any reason nullifies the main object of such policy.

It is also true that the determination of a reasonable and equitable basis for the distribution of state "grants-in-aid", having regard to the relative needs of different communities and their relative capacity to meet those needs, is a difficult, if not impossible task.

Division of Financial Support by Functions. In view of these difficulties, a number of states have adopted the practice of dividing financial responsibility between the state and the locality on the basis of functions, rather than on the basis of percentages. States are moving steadily, under the pressure of necessity, toward an acceptance of a larger share of financial support. A number have taken over complete responsibility for old age assistance, for blind assistance, for emergency relief, or for other specific services, leaving certain other functions to the exclusive support of local governments. For the present, at least, in Pennsylvania, this is a feasible and acceptable alternative, which, in accordance with the spirit of the Federal Social Security Act, assures reasonably equal treatment of all those in need of the basic services afforded by the state. Adequate sanctions for the reasonable standardization of services supported by the local communities can be provided through suitable state laws, and feasible means of enforcement can be provided through properly organized and equipped state departments.



## CHART A

STATE AND LOCAL ORGANIZATIONS AND RELATIONSHIPS IN ADMINISTRATION OF PUBLIC ASSISTANCE  
IN PENNSYLVANIA AND TWELVE REPRESENTATIVE STATES

Section	Administrative Structure and Policies	California	Florida	Illinois	Indiana	Maryland	Massachusetts	Michigan	Minnesota	New Jersey	New York	Ohio	Wisconsin	Pennsylvania		Explanation of Symbols
														Present Plan	Proposed Plan	
I.	Departmental Grouping of State Functions															
	Public Home Assistance															
	1. General Outdoor Relief (Poor Relief)	W <sup>1</sup>	n <sup>9</sup>	n <sup>13</sup>	n <sup>17</sup>	W <sup>19</sup>	W <sup>24</sup>	n <sup>28</sup>	n	W <sup>34,35</sup>	W <sup>39</sup>	n	n	W <sup>48</sup>	A <sup>54</sup>	Section I: W—General welfare department, under various names (See State footnotes). R—Emergency relief organization (See footnotes for exact titles). V—State veterans' commission or military department. T—Special commission for aid to blind. I—Department or commission for mental hygiene. E—Department of education. C—Department of corrections. O—Department for child welfare. B—State board of control. S—Special board to grant paroles or fix sentences. I—State industrial commission. A—Department of public assistance. n—No State Department responsible.
	2. General Indoor Relief (Almahouas)	W <sup>2</sup>	n <sup>9</sup>	W <sup>13</sup>	W <sup>17</sup>	W <sup>20</sup>	W <sup>25</sup>	W <sup>28</sup>	n	W <sup>35</sup>	W	n	n	W <sup>48</sup>	A	
	3. Unemployment Relief	R <sup>2</sup>	W <sup>3</sup>	R <sup>14</sup>	R <sup>18</sup>	W	W	W <sup>29</sup>	B <sup>31</sup>	R <sup>36</sup>	W	n	W <sup>44</sup>	W <sup>49</sup>	W	
	4. Old Age Assistance	W	W	W	W	W	W	R	B	W	W	W <sup>43</sup>	1 <sup>45</sup>	W	A	
	5. Aid to Dependant Children in Own Homes	W	n <sup>9</sup>	W	W	W	W	R	n	C <sup>37</sup>	W	W	1	W	A	
	6. Aid to Dependent Children in Foster Homes and Institutions	W <sup>3</sup>	n <sup>9</sup>	W	W	W	W <sup>26</sup>	W	B	C	W	W	B <sup>46</sup>	W	W	
	7. Aid to Blind	W <sup>3</sup>	n <sup>9</sup>	W	W	W	W	R	B	W	W	W	B <sup>46</sup>	W	W	
	8. Aid to Veterans	V <sup>4</sup>	V <sup>10</sup>	n <sup>16</sup>	n <sup>16</sup>	W <sup>21</sup>	E <sup>16</sup>	n	B <sup>32</sup>	W <sup>38</sup>	n <sup>16</sup>	W <sup>16</sup>	1	W <sup>50</sup>	A	
	Mental Health Activities and Institutions	M <sup>5</sup>	n	W	W	P <sup>22</sup>	M <sup>26</sup>	W <sup>30</sup>	B	W	M <sup>40</sup>	M	B	W	W	
	Penal and Correctional Institutions	P <sup>6</sup>	P <sup>11</sup>	W	W	P <sup>22</sup>	P <sup>27</sup>	W <sup>30</sup>	B	W	P <sup>41</sup>	W	B	W <sup>51</sup>	W	
	Parole	P <sup>6</sup>	S <sup>12</sup>	W	W	P <sup>23</sup>	P	W <sup>30</sup>	B	W	P	W	B	W	W	
	Other Correctional Services	S <sup>7</sup>	S <sup>12</sup>	W	W	P <sup>23</sup>	P	W <sup>30</sup>	B	W	P	W	B	P <sup>52</sup>	P	
II.	Departmental Executive (Public Home Assistance)															
	Executive appointed by Administrative Board		X		X	X			X <sup>33</sup>	X	X	X	X	X <sup>33</sup>		
	Executive Appointed by Governor (board is advisory)	X		X			X	X					X	X	XX	
III.	Degree of Authority Exercised by State Department over Local Administration:															
	1. General Outdoor Relief	v	n <sup>9</sup>	n	n	a <sup>19</sup>	v <sup>25</sup>	n	n	35	v <sup>42</sup>	n	n	v	s	
	2. General Indoor Relief	v	n <sup>9</sup>	v	v	a <sup>19</sup>	v <sup>25</sup>	r	n	35	v <sup>42</sup>	n	n	v	s	
	3. Unemployment Relief	a	n <sup>9</sup>	n <sup>14</sup>	v	s	v	s	r	n <sup>36</sup>	s	n	n	a	s	
	4. Old Age Assistance	v	s	s	s	s	s	a	v	s	s	a	s	v	s	
	5. Aid to Dependent Children in Own Homes	s	n <sup>9</sup>	a	s	s	s	s	n	a	s	v	v	v	s	
	6. Aid to Dependant Children in Foster Homes and Institutions	v	n <sup>9</sup>	v	v	s	sa	r	e	e	v	v	s	v	v	
	7. Aid to Blind	r	n <sup>9</sup>	r	v	s	a	s	a	a	s	n	n <sup>16</sup>	v	s	
	8. Aid to Veterans	a	a <sup>10</sup>	n	n <sup>16</sup>	a	v <sup>25</sup>	n	a	a	n	n <sup>16</sup>	n	a	a	
IV.	Territorial Unit of Local Administration:															
	1. General Outdoor Relief	o		ot	ot	a	t	o	o	t-o	o-t	ot	t-o	o-t	o	
	2. General Indoor Relief	o		ot	ot	o	t	o	o	t-o	o-t	ot	t-o	o-t	o	
	3. Unemployment Relief	o		ot	ot	o	t	o	o	t	o	ot	t-o	o-d	o	
	4. Old Age Assistance	o		o-d	o-d	o	t	o	o	o	o	o	o	o	o	
	5. Aid to Children in Own Homes	o		o-d	o-d	o	t	o	o	o	o	o	o	o	o	
	6. Aid to Dependent Children in Foster Homes and Institutions	o		ot	ot	o	t	ot	o	ot	ot	ot	t-o	o-t	o	
	7. Aid to Blind	o		o-d	o-d	o	t	o	o	o	o	o	o	o	o	
	8. Aid to Veterans	o		ot <sup>16</sup>	ot	o	t	o	o	o-t	o-t	ot	o	o	o	
V.	Source of Appointment of Local Administrative Authority:															
	1. General Outdoor Relief	f-h	f-h-i	f-h	f-h	f-j	f-e	f	f-h	f	f	f	f-h	e-f-h	f	
	2. General Indoor Relief	f-h	f-h-i	f-h	f-h	f-j	f-e	f	f-h	f	f	f	f-h	e-f-h	f	
	3. Unemployment Relief	i	f-h-i	f-h	f-h	j	f-a	i	f-h	f	f	f	f-h	i	i	
	4. Old Age Assistance	f-h	f-i	f-h	h	j	f-e	g	f-h	h	f	f-h	g-h	i	i	
	5. Aid to Dependent Children in Own Homes	f-h	f-i	f	h	j	f-e	f	i	h	f-h	f-h	g-h	i	i	
	6. Aid to Dependent Children in Foster Homes and Institutions	f-h	f-h-i	f	f-h	j	f-e	f	i	h	f-h	f-h	f-h	e-f-h	f	
	7. Aid to Blind	f-h	f-i	f-h	h	j	f-e	i	a	h	f	f	g-h	i	i	
	8. Aid to Veterans	a	f-i	f-h	f-h	a	h	h	i	i	f	f	h	i	i	
VI.	Sources of Financial Support:															
	1. General Outdoor Relief	L	L	L	L	L	L <sup>7</sup>	L	L	L	LS	L	L	L	S	
	2. General Indoor Relief	L	L	L	L	L	LS	L	L	L	LS	L	L	L	L	
	3. Unemployment Relief	S	L	L	L	LS	L	S	LS	LS	LS	LS	LS	S	S	
	4. Old Age Assistance	LSP	L F	SP	LSP	LSP	LSP	SP	L F	LSP	LSP	SP	LSP	LSP	SP	
	5. Aid to Dependent Children in Own Homes	LSP	L	LS	L F	L F	LSP	L F	LS	LSP	LSP	L F	LSP	LSP	SP	
	6. Aid to Dependent Children in Foster Homes and Institutions	LS	n	L	L	LS	LS	L	LS	LS	L	L	LS	LS	LS	
	7. Aid to Blind	LSP	L	LS	3F	L F	SP	LSP	S	LSP	LSP	LSP	LSP	SP	SP	
	8. Aid to Veterans	LS	S	LS	3	S	LS	LS	S	S	LS	S	LS	S	S	

**Explanatory Notes:**

**California:** 1. Department of Social Welfare; 2. Emergency Relief Administration; 3. Administration of aid to blind assisted, also, by home teachers in the State School for the Blind; 4. Veterans' Welfare Board, Department of Military and Veterans' Affairs; 5. Department of Institutions; 6. State Board of Prison Directors; 7. Board of Prison Terms and Paroles fixes sentences in certain cases.

**Florida:** 8. Board of Social Welfare; 9. Local administration of these functions may be assigned to district boards of social welfare under supervision of the State board, otherwise, State has no supervision; 10. State administers aid to Confederate veterans only, relief to other veterans conducted as part of general relief; 11. State Prison Department; 12. State Board of Pardons.

**Illinois:** 13. Department of Public Welfare; 14. Emergency Relief Commission, now merely certifies monthly relief needs of each local unit to the Auditor of Public Accounts; 15. Allocation of State funds supervised by Governor, State Treasurer, and State Auditor; 16. Veterans' relief a part of general relief.

**Indiana:** 16. (See Illinois); 17. Department of Public Welfare; 18. Governor's Commission on Unemployment Relief.

**Maryland:** 19. Board of State Aid and Charities. A Department of Welfare supervises mental and penal institutions; 20. State board supervises these functions when assigned by counties to county boards of welfare; 21. State Veterans' Commission; 22. Department of Welfare; 23. Parole commissioners.

**Massachusetts:** 16. (See Illinois); 24. Department of Public Welfare; 25. State directly administers infirmary for unsettled poor, also infirmary for dependent children; also directly administers placement and care of dependent children; 26. Department of Mental Diseases; 27. Department of Corrections.

**Michigan:** 28. State Welfare Department, including an autonomous State Prison Commission, and an autonomous State Hospital Commission (for mental hospitals); 29. State Emergency Welfare Relief Commission; 30. Recent legislation creates a separate Mental Hygiene Commission and a separate Corrections Commission.

**Minnesota:** 31. State Board of Control; 32. Division of Soldiers' Welfare of State Board of Control; 33. Executive chairman appointed by Board of Control from its own members.

**New Jersey:** 34. State Department of Institutions and Agencies; 35. State Department supervises these functions in two counties that have set up county boards of welfare, but not in 19 counties; 36. Relief Finance Commission allocates funds to local districts; 37. State Board of Children's Guardians; 38. Adjutant General, as State service officer.

**New York:** 16. (See Illinois); 39. Department of Social Welfare; 40. Department of Mental Hygiene; 41. Department of Corrections; 42. State Department exercises large influence upon local administration through allocation of financial aid, subject to State standards.

**Ohio:** 16. (See Illinois); 43. Department of Public Welfare; 45. State Industrial Commission; 46. State Board of Control; 47. Department of Welfare grants aid to counties organized in county units and accepting State standards.

**Wisconsin:** 33. (See Minnesota); 44. Department of Public Welfare; 50. Veterans' Commission in State Department of Military Affairs; 51. Department of Welfare supervises penal and correctional institutions and through Boards of Trustees grants paroles in all but State penitentiaries; 52. Parole supervised by bureau in Department of Justice; 53. Paroles from State penitentiaries granted by State Board of Pardons; 54. Department of Public Assistance.





(4)

GENERAL APPENDIX A

Table I Cases and Persons Receiving Public Relief and Assistance (except Poor Relief) in Pennsylvania in March, 1937, by Counties.

Table II Outdoor Poor Relief Expenditures in Pennsylvania by Poor Districts During the Year 1935, and Children Cared for by Foster Agencies and Institutions During the Year.

Table III Estimated Annual Savings From Local Tax Funds From Adoption of the Unified Program of Public Assistance and Relief as Proposed by the Pennsylvania Committee on Public Assistance and Relief.



Table I

Cases and Persons Receiving Public Assistance and Relief (except Poor Relief) in Pennsylvania, and Amount of Relief Provided.

State Emergency Relief Administration Data for March 1937						Old Age Assistance Data for March 1937			Mothers' Assistance Fund Data for March 1937						Blind Pensions Fund Data for March 1937			Veterans' Relief Data for March 1937				County (1)
County (1)	Average number of cases (2)	Average number of persons (3)	Expenditures for direct relief (4)	Cases (persons) (5)	Grants to recipients (6)	Waiting and pending cases			Cases (10)	Children (11)	Mothers and Children (12)	Grants to recipients (13)	Waiting and pending cases			Cases (persons) (17)	Grants to recipients (18)	Waiting and pend- ing cases Total (19)	Cases (20)	Persons (21)	Expenditures for direct relief (22)	
						Total (7)	Waiting investiga- tion (8)	Pending in county or state offices (9)					Total (14)	Waiting investiga- tion (15)	Pending in county or state offices (16)							
State Total	164,670	507,377	\$5,302,081.16	74,871	\$1,629,190.71	22,797	15,235	7,562	11,683	30,146	41,829	\$410,500.08	6,096	3,669	1,427	10,002	\$290,380.97	961	761	3,788	\$31,384.36	State Total
Adams	203	962	7,341.86	391	5,385.25	27	17	10	25	84	109	908.01	1	✓	1	44	1,302.50	8	4	21	139.18	Adams
Allegheny	26,641	77,984	869,756.60	9,324	228,379.94	1,506	679	827	2,313	5,647	7,960	79,963.78	566	194	372	1,079	32,289.20	114	84	374	3,830.64	Allegheny
Armstrong	550	2,110	17,329.62	606	11,245.00	375	286	90	58	185	243	2,222.13	114	101	13	104	3,120.00	18	13	56	481.98	Armstrong
Beaver	1,263	3,963	39,465.64	1,002	23,662.50	240	160	90	67	151	208	2,100.00	81	51	30	146	4,380.00	12	12	43	448.12	Beaver
Bedford	352	1,297	8,968.54	545	8,710.75	224	120	104	54	162	216	1,740.12	10	2	8	96	2,880.00	13	4	22	113.15	Bedford
Berks	1,922	6,577	63,198.10	1,911	39,552.25	666	374	292	312	735	1,047	10,335.02	69	43	16	264	7,920.00	15	12	52	333.10	Berks
Blair	1,423	4,896	41,838.30	1,273	26,142.00	352	187	165	134	311	445	4,509.09	153	122	31	159	4,762.66	22	49	263	2,212.41	Blair
Bradford	523	2,119	16,001.10	566	10,306.50	505	418	87	79	176	255	2,267.29	23	15	8	117	3,510.00	16	5	28	164.03	Bradford
Bucks	513	1,996	18,941.24	999	20,630.50	59	30	29	71	173	244	2,407.15	12	6	6	113	3,390.00	11	7	28	286.30	Bucks
Butler	570	2,281	19,280.80	919	20,593.25	316	55	261	57	122	179	1,756.54	75	18	57	92	2,760.00	17	13	55	489.48	Butler
Cambria	2,562	8,069	71,995.58	1,664	36,916.50	258	102	156	236	645	881	8,260.08	156	133	22	181	5,430.00	20	15	71	438.86	Cambria
Cameron	50	200	1,469.46	67	1,492.00	47	28	19	5	13	18	186.00	6	4	2	3	90.00	1	-	-	-	Cameron
Carbon	712	3,255	23,587.00	358	8,002.50	55	34	21	89	249	338	3,337.78	24	15	9	57	1,710.00	6	4	21	169.24	Carbon
Centre	453	1,804	14,427.32	550	10,807.00	209	170	39	61	106	157	1,518.55	35	22	13	64	1,920.00	5	9	53	453.63	Centre
Chester	465	1,791	16,234.44	821	17,932.50	972	822	150	94	265	359	3,596.16	52	19	33	143	4,290.00	11	19	79	584.16	Chester
Clarion	236	1,028	7,809.90	343	5,833.00	120	51	69	43	141	184	1,541.07	11	10	1	51	1,530.00	10	4	21	178.18	Clarion
Clearfield	1,121	4,436	35,225.10	1,010	16,846.00	754	570	184	54	164	218	2,196.00	90	31	59	118	3,519.46	8	34	191	1,492.25	Clearfield
Clinton	382	1,445	12,425.96	367	7,416.00	162	112	50	52	129	181	1,700.91	28	23	5	69	2,070.00	11	8	48	461.68	Clinton
Columbia	687	2,425	19,013.68	469	9,586.50	408	339	69	47	135	182	1,838.70	56	47	9	68	2,040.00	12	7	51	381.23	Columbia
Crawford	843	2,962	24,821.82	930	21,279.00	533	438	95	75	177	252	2,356.99	36	25	11	128	3,835.00	12	3	14	123.12	Crawford
Cumberland	545	2,259	17,559.24	661	11,252.00	203	160	43	44	128	172	1,589.05	19	4	15	83	2,490.00	4	6	36	257.33	Cumberland
Dauphin	1,526	4,368	42,934.04	1,286	20,936.50	98	23	75	204	555	760	7,689.77	21	0	21	183	5,483.00	10	18	76	663.66	Dauphin
Delaware	884	3,173	32,700.76	1,624	35,281.00	247	118	129	288	748	1,036	10,143.94	30	8	22	203	6,070.96	18	15	69	643.09	Delaware
Elk	152	600	4,903.30	331	6,049.50	78	40	38	38	112	160	1,332.00	17	8	9	35	1,030.00	2	1	6	46.06	Elk
Erie	2,288	6,579	67,415.98	1,781	42,869.00	513	274	239	250	616	866	8,638.31	105	86	19	237	7,095.00	17	15	79	727.20	Erie
Fayette	2,965	9,155	79,852.06	1,860	40,139.50	141	76	65	25	76	101	1,002.28	430	428	2	224	6,720.00	25	22	109	860.70	Fayette
Forest	58	212	1,778.56	80	1,545.05	29	16	13	10	28	38	373.01	1	1	0	16	480.00	0	1	4	46.03	Forest
Franklin	425	1,759	12,618.54	492	8,936.00	90	54	36	50	143	193	1,854.53	10	7	3	88	2,640.00	8	3	20	125.62	Franklin
Fulton	102	454	2,555.66	160	2,280.83	16	12	4	3	7	10	58.50	9	6	3	11	330.00	0	4	20	177.24	Fulton
Greene	338	1,137	8,745.48	475	10,283.00	127	40	87	39	97	136	1,308.01	21	6	15	55	1,650.00	8	-	-	-	Greene
Huntingdon	223	857	6,851.94	452	6,630.13	119	70	49	47	107	154	1,494.03	32	17	15	50	1,486.80	9	4	19	147.66	Huntingdon
Indiana	1,063	4,370	36,163.66	467	9,484.00	456	428	28	68	195	263	2,404.07	51	43	8	132	3,914.13	12	5	25	192.87	Indiana
Jefferson	645	2,045	16,815.02	608	13,239.25	367	286	71	104	367	352	3,555.07	20	20	0	78	2,340.00	8	6	26	187.66	Jefferson
Juniata	111	449	3,253.08	236	3,606.00	9	7	2	26	72	98	744.00	2	2	0	18	540.00	2	3	26	119.55	Juniata
Lackawanna	6,720	21,694	206,170.04	1,854	42,019.50	766	520	246	406	1,169	1,575	14,613.26	363	333	30	247	7,380.60	44	32	265	1,543.11	Lackawanna
Lancaster	1,146	3,824	36,251.64	1,600	31,291.00	1,346	1,110	236	162	405	567	5,421.20	24	17	7	229	5,870.00	24	5	19	161.16	Lancaster
Lawrence	1,313	4,079	42,520.24	650	15,564.30	476	343	133	96	219	315	3,026.46	136	136	0	93	2,789.16	13	3	16	140.94	Lawrence
Lebanon	234	910	6,583.68	563	9,592.00	101	41	60	49	162	211	1,987.99	17	12	5	59	1,770.00	6	3	15	136.18	Lebanon
Lehigh	1,668	5,678	56,211.70	1,342	26,160.50	254	88	166	177	521	698	6,899.01	57	24	33	168	4,723.00	20	3	7	65.06	Lehigh
Luzerne	12,029	44,044	413,566.16	2,401	50																	



Table 11

Outdoor Poor Relief Expenditures in Pennsylvania by Poor Districts grouped by counties during the Year 1935  
and Children Cared for by Foster Agencies and Institutions during the Year\*

## Outdoor Poor Relief Data mainly for 1935

## Relief expenditures during the year 1935

## Almshouse Care

County (1)	Cases on January 31, 1935 (2)	Persons in cases (3)	Total Home Relief (4)	Board of children in private families (5)	Total adjusted to omit board of children in private families (6)	Appropriations to private agencies (7)	Total adjusted to omit both board for children in private families and appropriations to private agencies (8)	Poor relief administration for 1935 (Excludes almshouse operation et cetera) (9)	Persons in almshouses 1933 (used in earlier report of Committee) (10)	Persons in almshouses 1935 (11)	Almshouse expenditures 1935 (12)	Children cared for by foster agencies and institutions Data for 1933 (Children) (13)	County (1)
State total	33,803	98,376	\$5,129,701.43	\$380,159.55	\$4,749,541.78	\$91,478.80	\$4,658,062.92	\$985,487.12	10,317	13,690	\$3,143,678.88	29,737**	State total
Adams	143	250	6,909.59	348.95	6,560.64	-	6,560.64	3,247.21	81	86	11,142.84	55	Adams
Allegheny	3,677	7,790	679,131.46	-	679,131.46	-	679,131.46	160,227.49	3,223	2,346	947,809.97	4,907	Allegheny
Armstrong	177	708	32,693.83	5,534.59	27,164.27	-	27,164.27	1,007.80	89	99	16,099.86	120	Armstrong
Beaver	396	1,580	69,400.89	18,359.56	51,041.23	10,390.50	40,644.73	8,158.79	237	223	39,572.71	245	Beaver
Bedford	303	-	15,461.71	1,250.05	14,202.89	-	14,202.89	2,542.34	74	62	9,022.90	74	Bedford
Berks	1,015	1,529	159,102.42	28,256.67	130,905.75	3,300.00	127,305.75	9,198.35	462	428	94,344.30	619	Berks
Blair	866	4,330	98,351.23	837.40	97,513.86	-	97,513.86	19,549.14	171	177	47,177.19	411	Blair
Bradford	679	1,149	119,226.59	14,540.27	104,686.32	2,400.00	102,286.32	Ed. by County	133	139	20,130.07	142	Bradford
Bucks	22	44	11,840.17	10,571.00	1,269.17	-	1,269.17	7,015.76	194	173	21,957.53	208	Bucks
Butler	416	1,650	60,071.00	6,850.00	53,221.00	-	53,221.00	2,100.00	147	147	31,101.06	148	Butler
Cambria	420	804	35,391.19	-	35,391.19	-	35,391.19	12,912.50	342	328	41,186.96	415	Cambria
Cameron	34	110	4,955.43	-	4,955.43	-	4,955.43	1,206.81	-	-	-	21	Cameron
Carbon	457	1,047	76,223.37	1,903.50	74,319.87	-	74,319.87	18,509.57	320	378	54,522.02	68	Carbon
Centre	230	555	29,238.27	944.27	28,294.00	-	28,294.00	8,089.89	33	10	1,999.89	77	Centre
Chester	160	640	41,805.70	10,204.29	31,601.41	60.00	31,541.41	4,097.50	167	170	23,691.36	273	Chester
Clarion	94	564	20,700.00	-	20,700.00	-	20,700.00	6,258.00	52	63	7,610.00	19	Clarion
Clearfield	1,320	7,235	44,558.00	4,191.00	40,377.00	-	40,377.00	1,857.00	180	170	24,000.00	208	Clearfield
Clinton	223	435	30,595.91	870.52	35,725.29	500.00	35,225.29	3,007.75	17	16	3,534.02	101	Clinton
Columbia	779	2,810	57,442.32	1,170.00	56,272.32	-	56,272.32	11,462.93	29	11	4,378.68	68	Columbia
Crawford	600	1,500	44,350.20	7,209.75	37,050.45	-	37,050.45	5,574.00	127	130	22,762.03	157	Crawford
Cumberland	221	340	29,010.93	6,876.52	22,134.41	-	22,134.41	4,706.44	132	126	19,536.21	159	Cumberland
Dauphin	535	1,219	112,115.05	25,925.90	86,190.05	-	86,190.05	17,333.20	314	305	58,470.53	645	Dauphin
Delaware	1,074	3,759	227,116.91	1,953.40	225,163.51	1,350.00	223,813.51	29,272.78	335	288	98,706.46	560	Delaware
Elk	228	916	29,482.13	1,234.61	28,107.57	-	28,107.57	3,457.14	115	104	10,468.68	102	Elk
Erie	729	925	127,568.02	30,540.58	97,027.44	15,150.14	81,877.30	19,626.20	385	282	52,841.31	472	Erie
Fayette	121	140	21,777.77	1,085.75	20,694.02	1,560.50	19,133.52	5,500.85	322	314	69,758.14	211	Fayette
Forest	30	118	3,509.39	-	3,699.39	-	3,699.39	3,560.05	15	12	4,489.94	3	Forest
Franklin	400	1,207	62,419.39	3,900.00	58,513.38	-	58,513.38	4,349.90	160	175	17,808.56	234	Franklin
Fulton	50	106	1,921.51	-	1,921.51	-	1,921.51	477.04	-	-	-	23	Fulton
Greene	148	720	22,771.27	-	22,771.27	-	22,771.27	1,776.09	114	84	12,050.32	80	Greene
Huntingdon	-***	****	9,551.42	-	9,551.42	-	9,551.42	1,320.90	61	-	7,209.98	70	Huntingdon
Indiana	329	1,046	25,351.05	-	25,351.05	-	25,351.05	1,900.00	155	160	22,995.06	137	Indiana
Jefferson	239	-	46,613.75	2,700.00	43,913.75	-	43,913.75	900.00	125	144	18,321.89	81	Jefferson
Juniata	74	119	9,109.12	373.90	8,736.12	-	8,736.12	2,112.05	-	***	-	22	Juniata
Lackawanna	1,545	4,518	221,854.96	2,545.25	219,309.71	4,734.00	214,575.71	103,522.82	542	554	98,130.64	732	Lackawanna
Lancaster	256	725	51,909.43	-	51,909.43	37,304.32	14,605.11	9,142.50	299	260	65,057.45	629	Lancaster
Lawrence	712	4,746	124,357.19	946.16	123,411.03	1,030.54	121,474.49	10,826.25	158	152	33,886.94	102	Lawrence
Lebanon	550	1,600	30,184.09	-	30,184.09	-	30,184.09	11,064.07	212	151	13,901.42	287	Lebanon
Lehigh	652	1,386	121,598.35	27,843.02	93,754.41	-	93,754.41	13,237.56	333	336	61,334.10	398	Lehigh
Luzerne	1,875	5,111	353,266.27	22,406.75	323,859.12	600.00	323,259.12	92,945.16	786	501	100,816.80	1,039	Luzerne
Lycoming	424	840	83,268.71	1,409.72	81,858.99	65.00	81,793.99	14,160.06	87	106	19,627.89	297	Lycoming
M'Kean	339	605	57,133.05	2,208.20	54,924.85	-	54,924.85	10,152.95	111	87	14,959.42	152	M'Kean
Mercer	721	1,804	149,430.94	730.97	148,699.97	-	148,699.97	25,542.04	121	125	19,497.99	152	Mercer
Mifflin	470	1,535	52,526.52	8,658.53	43,867.99	-	43,867.99	6,797.20	78	81	13,029.20	168	Mifflin
Monroe	248	826	55,763.11	6,590.28	49,172.83	-	49,172.83	5,242.53	63	67	12,866.37	63	Monroe
Montgomery	400	1,300	120,963.36	1,729.50	119,233.86	11,037.60	108,196.26	11,420.46	240	230	30,822.93	430	Montgomery
Montour	52	86	5,501.32	-	5,501.32	-	5,501.32	3,208.94	17	17	3,208.94	42	Montour
Northampton	1,665	4,995	290,730.77	-	290,730.77	-	290,730.77	13,724.40	510	424	64,631.09	462	Northampton
Northumberland	930	3,567	137,519.24	440.89	137,078.35	255.00	136,823.35	61,893.30	222	173	52,393.14	337	Northumberland
Perry	44	75	7,404.04	-	7,404.04	-	7,404.04	1,747.26	47	42	3,821.89	62	Perry
Philadelphia	1,715	5,991	247,008.89	66,441.32	180,567.57	226.00	180,341.57	86,311.42	1,861	1,434	246,184.93	9,953	Philadelphia
Pike	54	147	15,404.52	-	15,404.52	-	15,404.52	3,358.02	-	-	-	9	Pike
Potter	123	437	12,179.94	-	12,179.94	-	12,179.94	6,643.78	65	72	21,223.08	37	Potter
Schuylkill	1,035	1,941	104,892.95	-	104,892.95	-	104,892.95	20,057.05	602	515	156,651.40	600	Schuylkill
Snyder	50	83	16,585.49	145.55	16,439.94	-	16,439.94	3,615.56	-	-	-	46	Snyder
Somerset	238	409	26,700.53	-	26,700.53	-	26,700.53	5,037.22	124	131	13,463.38	163	Somerset
Sullivan	87	261	17,013.92	565.14	16,448.78	-	16,448.78	810.10	-	-	-	7	Sullivan
Susquehanna	167	374	26,840.96	2,357.63	24,483.33	25.00	24,458.33	6,986.60	28	25	5,746.49	42	Susquehanna
Tioga	-	902	31,938.33	-	31,938.33	-	31,938.33	3,916.22	123	180	15,000.18	88	Tioga
Union	75	138	18,208.55	337.00	17,871.55	-	17,871.55	2,610.55	-	-	-	40	Union
Venango	120	480	31,814.36	12,913.05	18,901.31	-	18,901.31	1,699.79	72	47	17,461.08	104	Venango
Warren	500	1,500	42,399.74	4,904.01	37,495.73	-	37,495.73	3,130.73	112	119	30,027.61	120	Warren
Washington	801	1,527	95,837.21	-	95,837.21	-	95,837.21	17,252.24	475	-	66,813.95	339	Washington
Wayne	162	298	17,135.29	257.60	16,877.69	228.00	16,649.69	4,321.72	11	-	3,763.44	21	Wayne
Westmoreland	820	1,301	79,744.32	-	79,744.32	-	79,744.32	26,768.93	451	422	69,069.17	525	Westmoreland
Wyoming	208	832	37,269.80	-	37,269.80	-	37,269.80	2,434.00	-	-	-	26	Wyoming
York	496	1,205	74,557.18	-	74,557.18	-	74,557.18	15,253.54	258	263	63,193.25	314	York

\*Source of data: Columns (2) and (3) from questionnaires returned by Directors of the Poor to the Pennsylvania Committee on Public Assistance and Relief; Columns (4), (5), (6), (7), (8), (9), (11) and (12) from photostat data supplied by Bureau of Research, Department of Welfare, Commonwealth of Pennsylvania with computations made in the Committee's office; Column (10) secured from "Poor Relief Administration" published by the State Department of Welfare; Column (13) secured from Federal Census of Dependent Children, photostat copies of data secured from State Department of Welfare.

\*\*These data refer to the county of residence of children when accepted for care. The state total of 29,737 includes not only the sum of the county totals but also includes 560 children residing in other states and 17 children residing in Pennsylvania but for whom the county of residence was not specified.

\*\*\*Figures not available.





Estimated Annual Savings from Local Tax Funds from the Adoption of the Unified Program for Public Assistance and Relief as Proposed by the Pennsylvania Committee on Public Assistance and Relief  
(Altered to Retain Local Financing of Foster Care of Children)

Old Age Assistance Fund -- Data for 1936

Mothers' Assistance Fund -- Data for 1936

Outdoor Poor Relief Expenditures -- Date for 1935

Figures Rounded to Nearest \$100

\* Source of data: Columns (2), (4) and (6) provided by the Division of Research and Statistics, Bureau of Assistance, State Department of Welfare; Columns (3), (5), (7) and (8) computed according to formula provided by that Division; Columns (9), (10), (12) and (14) provided by the State Department of Welfare from reports filed by Poor Boards; Columns (11) and (13) computed from those data.

.. These counties report no home relief expenditures for board for children in private families or appropriations to pr

\*\*\* These counties did not report itemized expenditures for home relief.





(5)

GENERAL APPENDIX B

SUMMARY OF  
LEGISLATION EMBODYING THE GENERAL PROGRAM  
OF THE  
PENNSYLVANIA COMMITTEE ON PUBLIC ASSISTANCE AND RELIEF



## GENERAL APPENDIX B

SUMMARY OF  
LEGISLATION EMBODYING THE GENERAL PROGRAM  
OF THE  
PENNSYLVANIA COMMITTEE ON PUBLIC ASSISTANCE AND RELIEFIntroduction

The general recommendations of the Pennsylvania Committee on Public Assistance and Relief were embodied in drafts of legislation prepared under the direction of Shippen Lewis, Esq., of the Philadelphia bar. The enactment of the principal items of the program required three separate acts, namely, (1) An act amending the Administrative Code of Pennsylvania, creating a new and separate Department of Public Assistance with appropriate powers and duties, and modifying the powers and duties of the State Department of Welfare, whose supervision of Mothers' Assistance, Old Age Assistance, and Pensions for the Blind, was transferred to the new department; (2) A Public Assistance Law, revising and consolidating the legislation covering the administration of all forms of public assistance and relief, creating new county boards of assistance and providing for the abolition of the State Emergency Relief Board, Mothers' Assistance Fund Boards, and Boards of Trustees of the Pension Fund for the Blind; (3) An act abolishing the poor districts, creating new institutional districts in each county, to which responsibilities of the poor districts for management of almshouses and other local public institutions were to be transferred, and somewhat revising and consolidating the law relating to the care of the poor.

Before the introduction of these measures, they were subjected to certain revisions in accordance with the fiscal and administrative policy announced by Governor Earle in his budget message to the Legislature on February 24, 1937. The bills were introduced into the State Senate under the sponsorship of Senator Edward J. Thompson of Centre County, in association with Senator McCreesh of Philadelphia, and Senators McGinnis and Frey of Pittsburgh. They were subjected to amendment in the Senate Committee, and after passage by the Senate were further amended by the Committee on Welfare of the House and also on the floor of the House. They attained their final form through the action of a Conference Committee of the two Houses, composed of Senators Edward J. Thompson, Centre County, and Harry Shapiro, Philadelphia County (Committee on the part of the Senate), and Representatives Wilson A. Shaw of Allegheny County, John J. O'Keefe, of Philadelphia County, and Robert E. Woodside, Jr., of Dauphin County, (Committee on the part of the House of Representatives) and were finally passed by both Houses on June 5, 1937. They were signed by the Governor on June 24, 1937.

The essential elements of the program recommended by the Committee were retained throughout this lengthy process of discussion and amendment, though the bills finally passed differed in a number of important details from those originally drafted on behalf of the Committee. For the information of the public, and as a matter of record, the principal features of these new laws are here described, in relation to the legislation originally drawn on behalf of the Committee.

1. Department of Assistance Act  
(Senate Bill, No. 877, Act No. 395, Approved June 24, 1937.)

Departmental Organization

A Department of Public Assistance is created in the State government, headed by a Secretary of Public Assistance appointed by the Governor with the consent of the Senate. A State Board of Public Assistance is also created, consisting of nine persons including the State Treasurer, the Auditor General, and seven other citizens of the Commonwealth appointed by the Governor, no one of whom shall hold office in any political party. Members of the State Board of Public Assistance serve for overlapping terms of six years, though the terms of two members first appointed expire in 1939, two others in 1940, two others in 1941, and one in 1942. No member of the Board shall be eligible to serve consecutively for more than two terms. Five members of the Board shall constitute a quorum. The Chairman is elected by the Board from its appointed members. The secretary is also elected and need not be a member of the Board. The Board shall hold at least six regular meetings each year. The members receive no compensation but are reimbursed for actual expenditures.

The Committee's Draft: The organization of the State Department thus provided differs from the Committee's recommendations chiefly in the inclusion of the State Treasurer and the Auditor General in the State Board, in place of two appointed citizens, and in the non-inclusion of the Secretary of the Department as a member of the Board and as a necessary part of any quorum.

Department's Powers

The Department of Public Assistance has the power to administer and carry out provisions of the Public Assistance Law, to supervise local boards and to allocate funds to them on the basis of need. The State Board of Assistance has the power and duty "to approve or disapprove and adopt rules regulations and standards consistent with law recommended by the Department of Public Assistance and local boards as to eligibility for assistance and as to its nature and extent" and "to establish for the department and local boards rules and regulations" of administration; "to study the work of the Department of Public Assistance" and "to recommend to the Governor changes in administrative policy or in the law."

The Committee's Draft: In all important respects these powers conform with the recommendations of the Committee.

Personnel Administration

A merit system is established throughout the Department governing the employment of all employees of the State Department and of local boards except one secretary to the Secretary of Public Assistance and the secretary of each local board. This merit system is under the general direction of an employment board of three members appointed by the Governor with the consent of the Senate, who shall receive actual expenses and per diem compensation not exceeding \$25.00 per day.

This board shall prepare and conduct examinations for employment "which shall be practical in their character and so far as may be possible shall relate to those matters directly bearing on and which will fairly test the relative capacity and fitness of persons examined to discharge the duties of the service into which they seek to be appointed but no applicant shall be

required to have had any scholastic education in social service work nor to have had any other special scholastic education or special training or experience." The Board shall grade each person by a method of rating published as part of the announcement of the test, special credit of five per cent being given to war veterans and an additional five per cent to veterans who were disabled in the service.

Applicants for positions in the State Department must be citizens of the United States and legal residents of Pennsylvania for a period of a year before application, and persons applying for positions in local offices shall be residents of the State for a year and of the local district for not less than six months. The Secretary of the Department and local boards have power to appoint provisional employees prior to the holding of competitive examinations, but such employees must qualify by examination before March 1, 1938. Thereafter all employees except special examiners shall be appointed from lists of eligibles who have passed the required examinations. "Such lists shall be used and the names on them shall be placed in an order fixed by the rules of the Employment Board".

Employees serve a period of probation of not less than three nor more than six months. An employee may be suspended for just cause without pay for a period totalling not more than thirty days in any year. Written reasons for such suspension shall be filed with the Employment Board and become a part of its public records. Promotions shall be as a result of examinations. Employees may be demoted or removed for just cause after being given written reasons for such action and opportunity to file a written answer, both of which shall become a part of the public records of the Board. Such demotions and removals shall be subject to review by reviewing boards established under rules and regulations adopted jointly by the State Board of Public Assistance and the Employment Board. (See also provisions of Public Assistance Act, following.)

An employee shall be removed if he shall during his employment be a member of a political committee or an officer of a political organization or shall solicit or receive a contribution for political purpose or shall injure or benefit an applicant or beneficiary of assistance or an employee for any political reason. No employer shall demand from any employee before or at the time of employment any resignation or agreement to resign. "Race, or religion, or political or labor union affiliation shall not be a qualification of any applicant nor a just cause for reduction in compensation, suspension, layoff, demotion, or removal."

The Employment Board and the Department of Public Assistance jointly shall classify employment positions according to duties involved and qualifications required; shall fix maximum and minimum salaries for each class of employment; shall establish qualifications for applicants for any class of employment; and shall make rules and regulations establishing the procedure to be followed in demoting or removing an employee.

The Committee's Draft: The employment provisions of the act differ from the recommendations of the Committee chiefly in the following respects: (1) An employment director chosen by the Secretary of the Department from an eligible list created by a competitive examination, was recommended by the Committee instead of an employment board of three appointed by the Governor. (2) With respect to examinations, the Committee recommended "that in the application of the merit system, special consideration shall be given to the practical training and experience which workers may have for the

particular position involved, regardless of academic training." No special credit was recommended for veterans. (3) No restriction on geographical residence of applicants for positions in the service was recommended. (4) The Committee recommended that existing staffs of the State Emergency Relief Board and of the Mothers' Assistance Boards be made provisional employees of the new Department and of the new local boards, pending early non-competitive examinations for such employees, open competitive examinations being proposed to fill vacancies caused by failure of present employees to qualify or for other reasons. (5) The Committee also recommended that a local committee, independent of the County Board of Assistance, review on appeal all demotions and dismissals from the local service. (6) The Committee also recommended that no employee be permitted to give, as well as receive, a contribution for political purposes.

## 2. Public Assistance Act

(Senate Bill No. 883, Act No. 399, Approved June 24, 1937)

### Definition of Assistance

This act regulates the administration of assistance to "indigent persons who reside in Pennsylvania and need assistance to enable them to maintain for themselves and their dependents a decent and healthful standard of living and for dependent homeless or transient persons". It expressly includes pensions for the blind.

### Department's Powers

In addition to the general powers of the Department of Public Assistance enumerated in the Department of Assistance Act, the Department under this act is given the power and duty "to keep a reasonable emergency fund in the hands of local boards" which shall be used by the executive director for the furnishing of assistance in emergency cases "upon application to him or under the direction of any member of the local board"; to cooperate with other agencies, including those of the United States or of other States, in all matters concerning the work of the Department and especially in "projects for child welfare, for the relief of persons in areas of special need, and for the care of transient and homeless persons"; to receive and supervise the disbursements of Federal funds for assistance in Pennsylvania; to gather current information and report annually to the Governor as to the nature, need, and extent of assistance and as to the work of the local boards; to report at least annually to the Governor as to the cost of living in the various counties as related to the standards of assistance and the actual assistance grants and to publish these reports for public information; to supervise the liquidation of the Boards of Trustees of the Mothers' Assistance Funds, the Pension Fund for the Blind and the State Emergency Relief Board.

### County Boards of Assistance

In each county a County Board of Assistance is created, composed of both men and women, serving without compensation but reimbursed for necessary expenses. No member of a local board shall hold office in any political party and not all members shall belong to the same political party.



In counties of the first and second classes (Philadelphia and Allegheny) the County Board shall be composed of eleven members and in all other counties of seven members. Members serve for three-year overlapping terms and no member shall be eligible to serve more than two consecutive terms. The members of the Board are appointed by the Governor with the consent of the Senate. Each Board elects from among its members a chairman and a secretary.

#### Powers of County Boards

Each County Board has the power and duty to determine the eligibility of applicants under the standards established by the State Department and subject to the right of applicants for assistance partially supported by Federal funds to appeal to the State Department. The County Board also appoints, suspends, and removes employees, subject to the merit system provisions of the Department of Public Assistance Act. The Board also submits budgets to the State Department covering needs of public assistance and of administrative costs. It hears and determines appeals of applicants or beneficiaries, subject to further appeal to the State Department in certain instances. The County Board also has the right to supervise the administration of "any other public function related to assistance" "which shall be committed to the board by a political subdivision of the Commonwealth with the approval of the State Board of Public Assistance." This permits the County Board to accept responsibility for the placement of dependent children in foster homes and institutions, upon the request or with the consent of the County Commissioners or the Juvenile Court. The Board also has the express right to make recommendations to the Department of Public Assistance as to regulations and standards of eligibility for assistance and its nature and extent, and to report and interpret its policies, problems and work to the State Department and to the public.

Each County Board shall also appoint from time to time "such board of review as it sees fit and proper" to determine appeals of employees from orders of demotion and removal.

The Committee's Draft: The principal changes in the structure and powers of the State Department and County Boards, made by this act as compared with the Committee's recommendations are those (1) requiring the establishment of a local emergency fund; (2) eliminating the express and exclusive power of the State Department to provide for transient and homeless persons; (3) providing for the appointment of County Boards of Assistance by the Governor, rather than by the County Commissioners from panels of citizens drawn up by the State Department of Public Assistance, after consultation with local public officials and other civic and social organizations; (4) removing the provision that local employees should be nominated by the executive director of the county; (5) substituting a board of review appointed by the county board for the reviewing board recommended by the Committee, which would have been appointed independently of, and in the same manner as, the County Board of Assistance.

#### Eligibility for Assistance

Under the act, the following classes of persons are eligible for assistance: (a) a dependent child under the age of sixteen who "resides with his mother and has been deprived of the support of his father by his father's death, continued absence from home, or physical or mental incapacity" and who has resided in Pennsylvania for one year preceding the

application or has been born within a year of a mother who resided in the State a year immediately preceding birth of the child; (b) an aged person, 70 years of age or more or who, after December 31, 1939, is 65 years of age or more, who has resided in this Commonwealth for five years immediately preceding the application and for one year immediately preceding that date; who is not at the time of receiving assistance an inmate of a public institution and who has not transferred real or personal property of the value of \$500 or more without fair consideration within two years preceding date of making application; (c) blind persons 21 years of age or more having three-sixtieths or ten-two hundredths or less of normal vision who have resided in the Commonwealth for at least five of the preceding nine years and for one year immediately preceding the application; who is not receiving assistance as an aged person while receiving blind pension, is not an inmate of any insane hospital or correctional institution; (d) other persons who have resided in Pennsylvania at least one year and who "need assistance to enable them to maintain for themselves and their dependents a decent and healthful standard of living" (including unemployed persons); (e) any person within any of these groups who has a quasi-settlement in the Commonwealth may be assisted until removed to a place of legal settlement.

The Committee's Draft: The Committee recommended that aid to dependent children be immediately extended to conform with the widest interpretation of the coverage of the Federal Social Security Act, namely, to every dependent child "under the age of sixteen who has been deprived of parental support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent, and who is living with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, or aunt, in a place of residence maintained by one or more of such relatives as his or their own home". The Committee also recommended that old age assistance be extended at once to dependent persons 65 years of age or over.

#### Standards of Assistance

With respect to all these classes except blind persons, the standards of assistance are dependent upon the actual need, the maximum monthly allowances fixed by previous acts having been eliminated. Assistance to the blind is retained on a pension basis, allowing a maximum of \$30.00 a month to any person whose actual income, including the pension, does not exceed \$1200 a year and who has not real property of an assessed valuation of over \$5000.

The Committee's Draft: The Committee recommended the modification of assistance to the blind to bring it into conformity with assistance to other groups, by placing it upon a needs basis and removing the maximum limitation.

#### Miscellaneous Provisions

Provision is made for the appointment of trustees by the Department of Public Assistance to take charge of the expenditure of assistance of any person when in its opinion such trustee is necessary, and also for the payment of assistance due to a deceased beneficiary to the nearest of kin of such beneficiary. Penalties are also imposed for "wilfully false statement or misrepresentation" "or other fraudulent means in securing or aiding any other person to secure assistance under the act."

The Committee's Draft: These penalties were not provided in the Committee's drafts.

### Abolition of Existing Boards

The State Emergency Relief Board is immediately abolished by the act and the Mothers' Assistance Fund and the Pension Fund for the Blind are abolished as soon as their affairs can be liquidated and new County Boards of Assistance are appointed and qualified, but not later than December 31, 1937. The old boards continue to function until the new are organized, and, until January 1, 1938, the counties continue to pay their present share of the cost of mothers' assistance, old age assistance, and general poor relief.

The Committee's Draft: All these provisions are substantially in accord with those recommended by the Committee.

### 3. The Institution District Act (Senate Bill No. 876, Act No. 396, Approved June 24, 1937)

#### Institution Districts on County Basis

Under this act each county (with the exception of Allegheny and Philadelphia) is made an institution district, of which the County Commissioners are the executive and administrative officers. Philadelphia and Pittsburgh each becomes an institution district, of which the Department of Welfare of the city is the executive and administrative officer. All existing poor districts are abolished and the terms of poor directors terminated. The present salaried poor directors in counties having county institution districts become employees of the County Commissioners until the expiration of their terms.

#### Powers and Duties

Subject to rules, regulations, and standards established by the State Department of Welfare, the institution districts shall have the power to erect, equip, and maintain institutions for the care of adults who are mentally or physically infirm and of dependent children. The powers and duties of such districts include those heretofore imposed upon the poor directors.

The local authorities of the institution district also have the power and duty "to place in foster homes or in institutions or homes for children, dependent children who are in or committed to their charge and whose placement and care are not otherwise provided for by law". "No child under the age of sixteen years shall, unless he is mentally or physically handicapped and no other care is available for him, be admitted to or maintained in an institution conducted by the local authorities other than a hospital or sanitarium." The County Commissioners and the City Councils of Philadelphia and Pittsburgh may continue to make annual appropriations for the support of non-profit institutions and corporations to give medical care to the dependent adults and children of the county.

The books, accounts, and records of the district are inspected by the Department of Welfare. The existing law of settlement is re-enacted.

The Committee's Draft: The terms of this act with respect to structure and operation of the local institution district are substantially in accord with the recommendations of the Committee.



## Liquidation of Independent Poor Districts

Independent poor districts covering a territory smaller than a county are to be liquidated by the County Commissioners, assets and liabilities being ultimately distributable among the various municipal districts within the independent poor district in accordance with the assessed valuation of those municipalities. Title to the property of the district lying in two or more municipalities is vested in those municipalities, but the property is subject to use by the Commissioners as officers of the institution district, so long as purposes of the district require it or until they acquire such property by purchase. The institution district shall pay a fair rental to the municipalities in whom the title of the property is vested. The County Commissioners become temporary poor directors of the independent poor district with the power to collect special taxes for the payment of outstanding obligations of the district.

Property of independent poor districts lying in two or more municipalities and in more than one county is vested in municipalities in proportion to the last assessed valuation of real estate for county purposes. The property, however, shall be in the possession of the Commissioners of the two counties acting jointly as officers of their institution districts, or the Commissioners of one county in the event that the Commissioners of the other county decide they no longer require the property for the use of their institution district. In this case also the institution district or districts in possession of the property shall pay a fair rental to the municipalities in whom the title is vested. Outstanding obligations of the independent poor district shall be liquidated and the Commissioners of the two counties, acting as poor directors of the independent poor district, shall have the power to collect special taxes within the former independent poor district for the payment of such obligations.

If a majority of the Commissioners of each county disagree in the exercise of any power embodied by the act, the Court of Common Pleas of the county in which the real estate is situated shall decide the dispute. On petition of any party in interest, the Supreme Court of the State shall designate a judge to decide any matter arising as a result of such a dispute.

The act takes effect on January 1, 1938, except that existing poor districts are prohibited in the meantime from levying additional taxes provided they have sufficient cash assets to pay estimated liabilities during the calendar year.

Seventy-two general and special acts relating to poor relief in Pennsylvania are repealed.

The Committee's Draft: In all essential respects, these provisions of this act conform with the recommendations of the Pennsylvania Committee on Public Assistance and Relief.

### 4. Other Supplementary Acts

In addition to the three principal acts carrying into effect the recommended program, several other acts related to the program were also passed. One, known as the Support Law, Senate Bill 878, Act No. 397, Approved June 24, 1937, consolidates and re-enacts provisions of present laws, especially the poor law, covering the responsibility of relatives for the support of indigent persons and providing for the recovery of public moneys expended for assistance from the property and estates of such persons and



responsible relatives. No important changes in these matters are incorporated in the law. Most of the provisions of the former poor law bearing upon this subject are simply made applicable to all forms of public assistance in the State.

The Committee's Draft: The Committee did not propose this consolidation or re-enactment of the laws governing the support of indigent persons, which involve legal provisions and procedures that will require ultimate overhauling to bring them into accord with the spirit and practice of the State's new program of assistance.

Senate Bill 882 (Act No. 398, Approved June 24, 1937) amended the Old Age Assistance Law, pending the complete establishment of the new program on January 1, 1938, so as to permit the State to contribute necessary funds for local administration beyond the limits prescribed by the former act, which confined total expenditures for administration to six per cent of the appropriation to each county.

Senate Bill 880 (Act No. 58-A, Approved June 24, 1937) appropriated for the use of the Department of Assistance funds recovered by restitution from persons who had illegally received assistance.

Senate Bill 879 (Act No. 57, Approved June 24, 1937) appropriated \$130,737,100 to pay the costs of the program established by the preceding acts from July 1 to the end of the biennium. Further appropriations totalling \$6,412,900\* were made to carry the costs of relief and assistance during the month of June, pending final enactment of the new program.

These appropriations were in addition to the amount of \$1,500,000 carried in the general appropriation act (Act No. 103-A, Approved July 2, 1937) for the administrative expenditures of the new Department and of the State Welfare Department, pending the establishment of the new Department; and an appropriation of \$850,000 made directly to the Veterans' Commission of the Department of Military Affairs, for Veterans' Relief (Act No. 41-A, Approved June 5, 1937). This item was formerly included in the general appropriation for unemployment relief made to the State Emergency Relief Board.

The Committee's Draft: The aggregate of these appropriations (\$139,500,000) falls about half way between two alternative estimates of the potential cost of the new program during the next biennium, presented by the Committee to the Governor. The Committee estimated that an appropriation of \$130,589,000 would be required for the conduct of the consolidated services on the basis of present standards of relief and assistance, and that the sum of \$147,001,000 would be required for the same purpose if the standards of grants now payable to certain groups

\*Act No. 25-A, Approved May 27, 1937, appropriated \$4,837,000 for Unemployment Relief; Act No. 42-A, Approved June 5, 1937, appropriated \$211,850 for Mothers' Assistance; Act No. 43-A, Approved June 5, 1937, appropriated \$1,018,350 for Old Age Assistance; Act No. 44-A, Approved June 5, 1937, appropriated \$345,700 for Pensions for the Blind.

receiving assistance, especially recipients of unemployment relief and of mothers' assistance, were somewhat increased and equalized. This estimate also included a sum required for the provision of minimum medical service to all the beneficiaries under all the public assistance programs.

For the establishment of the Committee's complete program, including extension of eligibility for aid to dependent children to the full limits of the Federal Social Security Act, and immediate extension of eligibility for old age assistance to those 65 years and over, and including, also, some increase and equalization of standards of assistance of all kinds, the Committee estimated that \$155,587,000 of State funds would be required for the next biennium. These State appropriations in each case would be in addition to local funds already pledged for the remainder of the calendar year 1937, amounting to \$2,334,000, and Federal funds available under the Social Security Act amounting to \$33,221,000 under either of the first two programs, for which estimates were submitted as above, and \$49,784,000 under the Committee's complete program. (See Part I of this booklet, "A Forecast of Pennsylvania's Relief Needs for the Biennium 1937-1939").



